

22 ND
ANNUAL REPORT
2002-2003

Report **AEONIAN** .com
INVESTMENTS
COMPANY
LIMITED

1

CERTIFIED TRUE COPY:
For Aeonian Investments Company Limited,



Director.

AEONIAN INVESTMENTS COMPANY LIMITED

<p>BOARD OF DIRECTORS</p> <ol style="list-style-type: none">1. Shri Amit C. Choksey2. Shri Bhanushankar R. Trivedi3. Shri Arun C. Dalal4. Shri Dhiren P. Mehta5. Smt. Priti A. Choksey	<p>Bankers :</p> <ol style="list-style-type: none">1) Central Bank of India2) Standard Chartered Bank Ltd3) ABN Amro Bank4) Global Trust Bank Ltd <p>Registrar and share Transfer Agents:</p> <p>MCS LIMITED "Sri Venkatesh Bhavan" Plot No.27, Road 11, M.I.D.C.Area, Andheri (East), Mumbai – 400 093.</p>
<p>Auditors :</p> <p>Messrs H R Shah & Associates Chartered Accountants 305 / B, Skyway, Shastri Nagar J. P. Road, Andheri (W) Mumbai 400 053.</p>	<p>Registered Office:</p> <p>N K Mehta International House 178, Backbay Reclamation Babubhai M Chinai Marg Mumbai 400 020.</p>

AEONIAN INVESTMENTS COMPANY LIMITED

Registered office : N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinai Marg, Mumbai 400 020.

NOTICE

NOTICE is hereby given that the **Twenty Second Annual General Meeting** of the Company will be held at its **Registered office at N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinai Marg, Mumbai 400 020.** on **Monday, the 4th August, 2003** at **3:30 P.M.** to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited statement of Accounts for the year ended 31st March, 2003 and report of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity shares.
3. To appoint a Director in place of Shri Arun C. Dalal, who retires by rotation and being eligible, offers himself for re appointment.
4. To appoint a Director in place of Shri Dhiren P. Mehta, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

BY ORDER OF THE BOARD

PLACE : MUMBAI
DATE : June 24, 2003

(AMIT C. CHOKSEY)
CHAIRMAN

Registered Office :
N K Mehta International House
178 Backbay Reclamation House
Babubhai M Chinai Marg
Mumbai 400 020.

AEONIAN INVESTMENTS COMPANY LIMITED

Registered office : N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinal Marg, Mumbai 400 020.

Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxies to be effective, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from 22nd July 2003, to 25th July 2003. (Both days inclusive), in connection with the ensuing Annual General Meeting and the payment of dividend.
- The dividend for the year ended 31st March, 2003 as recommended by the Board, if approved at the meeting, will be payable to those members whose names appear on the Company's Register of Member on July 25th, 2003. However, in respect of shares held in the electronic form, the dividend will be payable to the beneficial owners of shares as on the close of 21st July, 2003 as per details furnished by the Depositories for this purpose.
- Members holding shares in physical form are requested to immediately intimate change of address, if any, to the Company / Registrar and Share Transfer Agents quoting reference of the Registered Folio Number. Members holding shares in the electronic form are advised to inform any change in address to their respective Depository Participants. The address as furnished to the Company by the respective Depositories viz., NSDL and CDSL will be printed on the dividend warrants.
- As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting. We hope you will help us in our endeavour of cost control and cost reduction.
- Members having multiple folios in identical names or on joint names in the same order are requested to send the share certificate(s) to the company's R & T Agents, M/s. MCS Limited, for consolidation of all such shareholding into one folio to facilitate better service.
- Members desirous of asking any questions at the AGM are requested to send in their questions so as to reach the Company's Registered Office at least seven days in advance before the AGM so that the same may be made readily available at the meeting.
- Members are requested to produce the enclosed Attendance Slip duly signed at the entrance to the Meeting. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
- Balance amount in unpaid Dividend Account for the financial year 1995-96 is due for transfer to the Investors Education Protection Fund administered by the Central Government during the month of September/October 2003. The shareholders whose dividend is unclaimed for the aforesaid financial year are requested to claim it immediately from the Company, otherwise, the Company is advised, it cannot be claimed from Investors Education and Protection Fund.

• **ADDITIONAL INFORMATION ON DIRECTORS BEING RE-APPOINTED AT THE ANNUAL GENERAL MEETING :-**

Following is the biographical data of the Directors being re-appointed :

1. Mr. Dhiren P. Mehta.

Mr. Dhiren P. Mehta is a member of the ICAI and ICSI. He has been associated with the Company since 2000 – 2001. He is CEO of Mazda Colours Limited, one of the leading manufacturers & exporters of various types of pigments and intermediates. He is also on the Board of Pragati Chemicals Limited. Mr. Mehta is currently a member of the Audit Committee of the Company's Board of Directors.

2. Mr. Arun C. Dalal

Mr. Arun C. Dalal has been associated with the Company since 1984. He has experience in management for over 25 years. He is also on the Board of Titan Trading and Agencies Limited and Trivikram Investments and Trading Company Limited. Mr. Dalal is currently a member of Audit Committee & Shareholders / Investors Grievance Committee of the Company's Board of Directors.

Registered office :

N K Mehta International House,
178 Backbay Reclamation
Babubhai M Chinai Marg
Mumbai 400 020.
Mumbai: June 24, 2003

BY ORDER OF THE BOARD

**AMIT C.CHOKSEY
CHAIRMAN**

DIRECTORS REPORT

To,
The Members

AEONIAN INVESTMENTS COMPANY LIMITED

Yours directors have pleasure in presenting the Twenty Second Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2003.

FINANCIAL RESULTS :

During the year your company earned an income of Rs.1.88 crores from Investments as against Rs.3.51 crores in the previous year. There has been a substantial reduction in dividend income (Rs.62 lakhs earned by way of dividend on shares and mutual funds) during the financial year 2002 – 03 as compared to the last year (Rs.2.97 crores earned on shares and units of mutual funds). The main reason for such a reduction in dividend income is due to the fact that your company thought it wise to shift its investments in Mutual Funds – Dividend Plan to investments in Mutual Funds - Growth Plan.

DIRECTORS

Shri. Dhiren P. Mehta and Shri Arun C. Dalal, directors of the company retires by rotation and being eligible, offer themselves for re appointment.

RESPONSIBILITY STATEMENT

The Directors confirm

a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

b) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period;

c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that they have prepared the annual accounts on a going concern basis.

DIVIDEND

Your directors recommend for consideration of shareholders at the Annual General Meeting, payment of a dividend of Rs.15/- (Rupees Fifteen per share), for the year ended March 31st, 2003. The dividend, if approved, would absorb a sum of Rs.36 Lacs (excluding the dividend tax of Rs.4.61 lacs) out of net profit as above and will be paid to those members whose name appear on the Register of Members as on July 22, 2003.

APPROPRIATION :

In accordance with the provisions of Section 45 IC (1) of the Reserve Bank of India Act, 1934, as introduced by the Reserve Bank of India (Amendment) Ordinance, 1997, a sum of Rs.30,00,000/- amounting to atleast 20% of the profit for the year is transferred to Reserve Fund. An amount of Rs.40,00,000/- has been transferred to General Reserve.

INFORMATION PURSUANT TO THE NON-BANKING FINANCIAL COMPANIES ACCEPTANCE OF PUBLIC DEPOSITS (RESERVE BANK) DIRECTIONS, 1999.

The Company has not accepted any deposit during the year. Hence, no information is required to be appended to this report in terms of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

ADDITIONAL DISCLOSURES

In line with the requirements of the amended clause 32 of the Listing Agreements your company has made additional disclosures in respect of disclosure of loans / advances and investments in its own shares by the listed companies, their subsidiaries, associates etc., wherever applicable. An additional schedule to the Balance Sheet, as directed by RBI for all NBFC's, has also been annexed.

-PARTICULARS OF EMPLOYEES:

There are no employees of the company whose particulars are required to be reported under Section 217 (2A) of the Companies Act, 1956 and the rules thereunder.

LISTING ARRANGEMENTS :

The Shares of the Company are listed on The Stock Exchange at Mumbai and the applicable listing fees has been paid till date.

CONSERVATION OF ENERGY & TECHNOLOGICAL ABSORPTION :

Being an investment company with no manufacturing activity, the directors have nothing to report on Conservation of Energy, Research & Development and Technology Absorption. During the year there were no Foreign Exchange Earnings and Outgo.

SUBSIDIARY COMPANY :

Statement pursuant to section 212 of the Companies Act, 1956 in respect of the Company's subsidiary company is appended to the balance sheet.

AUDITORS :

The Company's Auditors M/s. H R SHAH & ASSOCIATES, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment.

CORPORATE GOVERNANCE

The Management Discussion and Analysis and the report on Corporate Governance is enclosed and forms a part of the Director's Report.

Your Company is committed to practice the principles of good Corporate Governance. As a Listed Company, necessary measures are taken to comply with the Listing Agreements with the Stock Exchange.

Certificate dated June 24, 2003 of the auditors of your company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchange is annexed.

SECRETARIAL COMPLIANCE CERTIFICATE

In accordance with the provisions of Section 383A of the Companies Act, 1956, a certificate from M/s. Manish Ghia & Associates, Company Secretaries, certifying that the company has complied with all the provisions of the Companies Act, 1956 is given in the Annexure and forms a part of this Report.

ON BEHALF OF THE BOARD OF DIRECTORS

MUMBAI : June 24, 2003

**AMIT C CHOKSEY
CHAIRMAN**

AEONIAN INVESTMENTS COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

The Directors have a great pleasure in presenting the Management Discussion and Analysis Report for the year ended 31st March, 2003 and look forward to a happy, prosperous and peaceful financial year 2003 – 2004.

The Company is an investment company and its operations have sizeable linkages with the country's Capital Market and Mutual Fund Industry.

In the year under review, several developments of unfortunate nature, unfortunate from economic and political perspective took place. These were communal violence in Gujarat, border tensions, Corporate wrongdoings in US, relatively poor monsoon in the country, US-Iraq war etc. Capital Market was both erratic and weak. Mutual Fund Industry's performance was relatively poor due to weak capital market and falling interest rates.

Despite these, your company earned a profit of Rs.93.74 lacs on sale of shares and units of Mutual Funds against a loss of Rs.1.01 crores in the previous year.

Finance Bill, 2002 made dividends from shares and units of Mutual Funds taxable. During the year your Company switched its investments in the units of mutual funds from Dividend Plan to Growth Plan. Dividend income therefore reduced drastically but net asset values of these investments appreciated to the extent of net income of the concerned schemes of the Mutual Funds.

With the improvement witnessed in the market, your company looks forward to better operations in the current year, barring unforeseen circumstances.

A part of the company's investment portfolio of certain equity shares was continued to be managed by two reputable firms of investment bankers and portfolio managers.

Stock prices of the equity shares of Supreme Industries Ltd, indicating better future, the Company fully released the concerned broker from its loan liability to the Company by appropriating a large chunk of the said shares kept as security against the said loan. Stock price of Supreme's equity shares have further appreciated in the current year.

Your company's internal control system is considered adequate for its present business.

Shareholders are cautioned that this discussion & analysis contains forward-looking statements that involve risks & uncertainty. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Actual results, performances, or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only of the expectations as on the date.

Compliance Certificate

Authorised Share Capital : Rs.24,00,000/-
Company Reg. No. : 11- 24860

To,

The Members

Aeonian Investments Company Limited.

N.K.Mehta International House,
178, Backbay Reclamation,
Babubhai M. Chinia Marg,
Mumbai - 400 020.

We have examined the registers, records, books and papers of M/s. Aeonian Investments Company Limited ("the Company") as required to be maintained under the Companies Act, 1956 ("the Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on 31st March, 2003 (**Financial year**). In our opinion and according to the examination carried out by us and explanations furnished to us by the Company, its officers and agents, and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained the registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Companies Act, 1956 and the rules made thereunder and entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Maharashtra, Mumbai, within time prescribed under the Companies Act, 1956 and the rules made thereunder and the Company has paid the necessary additional fee for the document filed after the time prescribed.
3. The Company being a Public Limited Company, has the paid up capital of Rs.24,00,000/- (Rupees Twenty Four Lakhs) as on 31st March, 2003 and the restrictive provisions of Section 3(1) (iii) of the Act are not applicable.