

AEONIAN INVESTMENTS COMPANY LIMITED

BOARD OF DIRECTORS

Amit C. Choksey	Chairman
Priti A. Choksey	Director
Manubhai G. Patel	Director
Bipin V. Jhaveri	Director
Dhiren P. Mehta	Director
Bhanushankar R. Trivedi	Director

REGISTERED & ADMINISTRATIVE OFFICE

N.K.M. International House,
178, Backbay Reclamation,
Babubhai Chinai Marg,
Mumbai – 400 020
Tel. No.: 022 – 22838293/94/95
Fax No.:022 – 22838291

BANKERS

Bank of India
Standard Chartered Bank

AUDITORS

M/s. Ravi A. Shah & Associates
Chartered Accountants
Mumbai

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Private Ltd.
(Formerly Intime Spectrum Registry Ltd.)
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai – 400 078
Phone : 022 – 2596 3838
Fax : 022 – 2594 6969

AMIT CHOKSEY GROUP COMPANY



AEONIAN INVESTMENTS COMPANY LIMITED

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AEONIAN INVESTMENTS COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of **Aeonian Investments Company Limited** will be held on **Wednesday, 29th July, 2009** at **10.00 A.M.** at **M. C. Ghia Hall, Bhoghilal Hargovindas Building, 2nd Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 023** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the financial year ended March 31, 2009, the Balance Sheet as at that date and the Reports of the Board of Directors and Auditors' thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mrs. Priti Choksey, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Dhiren Mehta who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint M/s. Ravi A. Shah & Associates, Chartered Accountants, Mumbai as Auditors of the Company and fix their remuneration.

By Order of the Board

Amit C. Choksey
CHAIRMAN

Date : 12th May, 2009.

Place : Mumbai.

Registered Office:

N K Mehta International House,
178 Bachbay Reclamation,
Babubhai M Chinai Marg,
Mumbai 400 020.

NOTES:

1. A Member of the Company entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and, on a poll, vote instead of himself/herself. A Proxy need not be a Member of the Company. Proxies to be effective should be deposited at the Registered Office of the Company not later than Forty Eight hours before the commencement of the meeting.
2. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General meeting.
3. Members / Proxies / Representatives should bring the enclosed Attendance slip, duly filed in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
4. Profile of the Directors seeking re-appointment, as required in terms of clause 49 of the Listing agreement entered into with Stock Exchange, is annexed to this Notice.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from **Thursday, 23rd July, 2009 to Wednesday, 29th July, 2009** (both days inclusive), in connection with the ensuing Annual General Meeting (AGM) and the payment of final dividend.
6. The dividend as recommended by the Board of Directors, if approved by the shareholders at the Annual General Meeting shall be paid to those members, whose names appear on the Register of members of the Company as on Wednesday, 29th July, 2009. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of 29th July, 2009 as per the details furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) for the purpose as on that date.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries in writing to the Compliance officer of the Company at its Registered Office so as to reach at least seven days before the date of the meeting.
8. Members are requested to send their demat/remat applications, request for share transfers, intimation of change of address and other correspondence to the Company's Registrar & Transfer Agents, M/s. Link Intime Spectrum Registry Private Limited (formerly M/s. Intime Spectrum Registry Limited).
9. Members are hereby informed that the Company has transferred to the Central Government all unclaimed dividends relating to financial years upto 31-03-2001. Members who have so far not encashed their dividend warrants for below mentioned financial years, may claim or approach the Company for the payment thereof

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as the same will be transferred to the Investors Education and Protection Fund, administrated by the Central Government, pursuant to section 205C of Companies Act 1956 on the respective dates mentioned there against.

Financial Year	Date of declaration	Due date for transfer to Fund
2001-02	17-09-2002	16-09-2009
2002-03	04-08-2003	03-08-2010
2003-04	17-02-2004 (Interim Dividend)	16-02-2011
	15-06-2004	14-06-2011
2004-05	29-07-2005	28-07-2012
2005-06	22-05-2006	21-05-2013
2006-07	26-07-2007	25-07-2014
2007-08	29-07-2008	28-07-2015

His Directorship and Committee Membership of other Public Limited Companies, as at 31st March 2009 is as follows;

Company Position Committee

Company	Position	Committee membership
Cons Holdings Limited	Director	Nil
Pragati Chemicals Limited	Director	Nil
Sammelan Investments and Trading Limited	Director	Nil
Sunshield Chemicals Limited	Director	Audit Committee (Member)

He does not hold any Shares in the Company.

Profile of the Directors being re-appointed as required under clause 49 of the Listing Agreement entered with Stock Exchange

Name: **Mrs. Priti A. Choksey**

Experience: Mrs. Priti A. Choksey has been associated with the Company since 1997 and has a good experience in the business of the Company.

The Board of Directors had appointed Mrs. Priti A. Choksey as an Additional Director of the Company, liable to retire by rotation with effect from 24th November 1997. Mrs. Priti A. Choksey is due to retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers herself for re-appointment.

Mrs. Priti A. Choksey does not hold any Directorship and Committee Membership of other Public Limited Companies.

She is holding 506337 (10.55%) Equity Shares of Rs. 2/- each of the company.

Name: **Mr. Dhiren Mehta**

Mr. Dhiren Mehta is a B.Com from Mumbai University, Fellow Member of Institute of Chartered Accountant of India, Associate Member of Institute of Company Secretaries of India and Masters Degree in Financial Management (MFM).

Mr. Dhiren Mehta is business executive with over 30 years experience in Finance, Accounts and General Management.

The Board of Directors had appointed Mr. Dhiren Mehta as an Additional Director of the Company, liable to retire by rotation with effect from 30th April 2001. Mr. Dhiren Mehta is due to retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

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DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Eighth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2009.

Financial Highlights:

(Rs. in Lacs)

Particulars	2008-2009	2007-2008
Income from operations	218.12	144.71
Profit on Sale of Investments	207.48	2157.98
Profit before depreciation and Tax	309.63	2033.50
Less : Depreciation	47.20	41.26
Profit before tax	262.43	1992.24
Less : Provisions for Tax		
Current Tax	15.50	210.50
Deferred Tax	—	(21.00)
Profit after tax	246.93	1802.74
Add : Balance brought forward from previous year	4998.30	4157.89
Add/Less : (Short) / Excess Provision for Tax	6.83	(24.23)
Profit available for appropriation	5252.06	5936.40
Appropriation		
Proposed Dividend	144.00	336.00
Tax on Proposed dividend	24.47	57.10
Transfer to General Reserve	25.50	184.00
Transfer to Reserve fund in terms of Section 45 IC(1) of R.B.I Act, 1934	51.00	361.00
Balance carried forward to Balance Sheet	5007.09	4998.30

Management Discussion and Analysis

Industry Structure and Development

Aeonian Investments Ltd. is an investment company investing in shares, both quoted and unquoted and in units of Mutual Funds. The industry structure, relevant to the company's operations, is mainly concerned with the capital market and partly with the mutual fund industry. The company handles its investments in the capital market largely through a reputed portfolio manager and to some extent, on its own.

Industry Overview

The year 2008-09 has been a volatile year for most of the world economies. Capital Markets of many countries have reflected these volatility. Most of the International capital markets came down steeply with slow down in economies of respective countries.

Indian Capital market was no exception. Sensex fell from a peak of 21000 to lower than 8000 points and again went upto 10-11000 by the year end. The Market reflected the resilience of the Indian economy, with rising consumer demands coming from increasing population.

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Operational performance

Your Company is a long term Investor and was largely affected in the year 2008-09 by the falling market. Being invested mostly in large well managed and progressive companies, the Company's portfolio managers did not sell much, out of the portfolio. Profit on sale of investments, therefore declined from Rs.2158 Lacs to Rs.207 Lacs. Income from operations increased from Rs. 145 Lacs to Rs. 218 Lacs. In line with these, Profit before depreciation and tax decreased from Rs. 2033 Lacs in the year 2007-08 to Rs. 310 Lacs in the year under review.

The Profit after Tax: The Company's Profit after tax for the year stood at Rs.247 Lacs during the year, as compared to Rs.1803 Lacs in the previous year.

Reserves and Surplus as at 31st March, 2009 stand at Rs.8753 Lacs.

The company's investment portfolio continues to be in equity shares of growth-oriented companies that are capable of not only withstanding the adverse impact of the slow down in the economy but also putting in reasonably good performance.

Outlook

Indian economy is expected to perform better than many of the developed economies, where effect of the slow down has been greater. At the same time, recessionary trends presently observed in the country is likely to affect adversely growth rate of the economy.

In the year 2009-10. There appears uncertainties about the formation of new government. Under the circumstances, performance of the Company will largely depend on the performance of India's key growth drivers such as consumption, demand, infrastructure spending, investment climate, export competitiveness etc. Long term outlook continues to be positive.

Risk and Concerns

Company's performance is closely linked to the Indian Capital Market and consequently to the risks associated with market operations. The value of the company's investments may be affected by factors affecting capital markets such as price and volume volatility, interest rates, currency exchange rates, foreign investment, government policy changes, political and economic developments, crude oil prices and economic performance abroad.

A large part of the company's investments are under the discretionary management of the reputed portfolio manager who operates in several different segments of the financial services industry. The company is therefore exposed to risks associated with the management of its portfolio by the manager.

Segment

The primary segment of the company's business is 'investment in the capital market.'

Internal Control Systems and Adequacy

An adequate system of internal control is in place which mandates maintaining proper accounting records and assures reliability of financial information.

Cautionary Statement

(The statement in this report, including the Management's Discussion and Analysis Report, reflects the company's projections, estimates, expectations and predictions and contains a forward looking statement that involves risk and 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 of 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.)

Dividend

The Directors are pleased to recommend a dividend of Rs. 3/- (150%) per Equity Share (Previous year Rs. 7/- (350%) per Equity Share) for the financial year ended 31st March 2009. Outgo on account of payment of the dividend will absorb Rs. 168.47 Lacs including Dividend Distribution Tax payable by the Company.

Appropriation

In accordance with the provisions of Section 45 IC (1) of the Reserve Bank of India Act, 1934, a sum of Rs. 51 lacs being 20% of the profits for the year is transferred to Reserve Fund. Further an amount of Rs. 25.50 Lacs has been transferred to General Reserve. The remaining balance of Rs. 5007.09 Lacs has been carried forward.

Directors

In accordance with the Articles of Association of the Company, Mrs.Priti A Choksey and Mr. Dhiren Mehta, Directors of the Company, retire by rotation and being eligible, offer themselves for re - appointment.

The Directors recommend their re-appointment.

Directors' Responsibilities 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 of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in

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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.

Information pursuant to the Non-Banking Financial Companies acceptance of Public Deposits (Reserve Bank) Directions, 1999.

The Company has not accepted any deposits during the year under review.

Particulars of Employees

The Company has no employee covered under Section 217(2AA) of the Companies Act, 1956

Listing Arrangements

The shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai and the applicable listing fees have been paid till date. The Company has complied with the requirements of the Listing Agreement entered into with the said Stock Exchange.

Conservation of Energy & Technology Absorption

Being an investment company, the Company has no manufacturing activities, the Directors have nothing to report on Conservation of Energy, Research & Development and Technology Absorption.

Foreign Exchange Earnings and outgo

During the year there were no foreign exchange earnings and outgo.

Auditors

The Company's Auditors M/s. Ravi A. Shah & Associates, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

The Directors recommend their re-appointment.

Corporate Governance

Your Company is committed to practice the principles of good Corporate Governance. Necessary measures are taken to comply with the requirements of revised clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited.

The report on Corporate Governance is enclosed and form part of the Directors' Report.

Certificate from the Company's auditors dated May 12, 2009 regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into with Bombay Stock Exchange Ltd is annexed herewith.

Secretarial Compliance Certificate

In accordance with the provisions of Section 383A of the Companies Act, 1956, a certificate from M/s. Manish Ghia & Associates, Practising Company Secretaries, certifying

the status on compliance with respect to the applicable provisions of the Companies Act, 1956, is annexed herewith and forms part of this report.

Acknowledgement

Your Directors take on record their sincere thanks for the valuable services rendered by the portfolio managers, stock brokers and other business associates.

By Order of the Board

Amit C. Choksey
CHAIRMAN

Date : 12th May, 2009.

Place : Mumbai.

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CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Corporate Governance:

The Company's philosophy on Corporate Governance is aimed at strengthening the confidence of the shareholders in the Company and building a long term relationship of trust with them by maintaining transparency and periodical disclosures. The Company believes in maintaining high standards of quality and ethical conduct, in its operations.

2. Board of Directors:

The Company's Board as of date comprises of 6 members: 6 Non- Executive Directors (NEDs). Of the 6 NEDs, 3 are Independent Directors. The Chairman of the Board is a Promoter of the Company. All the Directors of the Company are eligible to retire by rotation.

Particulars	Composition of the Board		Minimum Requirement as per Clause 49
	No. of Directors	% of Total Directors	
Non- Executive Directors	6	100.00	50.00%
(therein Independent Directors)	(3)	(50.00)	(50.00%)
Total	6	100	

Attendance of Directors at Board Meetings and Annual General Meeting

During the year under review, the Board of Directors met 4 (four) times, on the following dates:-

i) 14th May 2008, ii) 28th July 2008, iii) 21st October 2008 and iv) 23rd January 2009

The agenda is prepared in consultation with the Chairman of the Board of Directors and the Chairmen of other Committees. The agenda for the meetings of the Board and its committees, together with the appropriate supporting documents, are circulated well in advance of the meeting.

Matter discussed at Board meeting generally relate to Company's investment and their performance, evaluation of the Portfolio manager and advisability or otherwise their continuity, quarterly results of the Company, review of the reports of the Audit Committee and compliance with their recommendation, suggestion, new investment proposals, non compliance of any regulatory, statutory or listing requirements etc.

The Information as specified in Annexure IA to clause 49 of the Listing Agreement is made available to the Board.

None of the Directors on the Board hold the office of Director in more than 15 companies or membership of Committee of the Board in more than 10 Committees or Chairmanship of more than 5 Committees.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at last Annual General Meeting, as also the number of Directorships and Committee Memberships held

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by them in other companies are given below:

Name of Director(s)	Designation/ Category of Directorship	Board Meetings attended	Attendance at last AGM dt. 29 th July 2008	No. of other Directorships held in Public Limited Companies.	No. of Committees of which Member / Chairman*
Mr. Amit C. Choksey DIN 00001470	Non-Executive Chairman Promoter	3	Yes	5	0/0
Mr. Bhanushankar R. Trivedi DIN 00185895	Non-Executive, Independent	3	No	1	0/0
Mr. Bipin V. Jhaveri DIN 00001648	Non-Executive, Independent	4	Yes	6	4/0
Mr. Dhiren P. Mehta DIN 00001471	Non-Executive	4	Yes	4	1/0
Mr. Manubhai G. Patel DIN 00001662	Non-Executive, Independent	4	Yes	3	0/4
Mrs. Priti A Choksey DIN 00001463	Non-Executive Promoter	4	No	—	0/0

* Committee Membership(s) / Chairmanship(s) of only Audit Committee & Investors' Grievance Committee of Companies (excluding Aeonian Investments Company Limited) have been considered.

Non-executive directors, compensation and disclosures

At Present none of the Directors of the Company are drawing any remuneration except sitting fees from the Company.

Non Executive Directors were paid Sitting Fees of Rs.5,000/- (Rupees Five Thousand Only) for each meeting of the Board of Directors or Committee(s) thereof, attended by them.

The Company has not advanced any loans to any of the Directors.

The Directors' sitting fees paid in financial year, 2008-09 and their shareholding in the Company as on 31st March 2009 are given below:

- Non-Executives Directors**

Name of Director	Sitting Fees (Rs.)	No. of Shares held	% to Paid up Capital
Amit C. Choksey	15000	550400	11.47
Bhanushankar R. Trivedi	15000	1000	0.02
Bipin Jhaveri	40000	6000	0.13
Dhiren Mehta	40000	—	—
Manubhai G. Patel	40000	—	—
Priti A Choksey	20000	506337	10.55

3. Audit Committee

The Committee comprises of independent and non-executive directors having financial background and knowledge in the area of business of the Company. The Committee comprises of Mr. Manubhai G. Patel, Mr. Bipin V. Jhaveri and Mr. Dhiren P. Mehta.

Four Audit Committee Meetings were held during the financial year 2008-09 on the following dates:

14th May 2008, 28th July 2008, 21st October 2008 and 23rd January 2009