

ARONI COMMERCIALS LIMITED

24th Annual Report
2008 - 2009

24th Annual Report 2008 - 2009**BOARD OF DIRECTORS**

Shri Ashwin Kumar Kothari
 Shri Rohit A. Kothari
 Shri Umaidmal Kala
 Shri Rajnikant Khalpada

BANKERS

HDFC Bank
 State Bank of India
 UCO Bank

AUDITORS

M/s Lalit Mehta Associates
 Chartered Accountants,
 Bharat House, 2nd Floor
 Mumbai Samachar Marg,
 Mumbai – 400 023.

REGISTERED OFFICE

209-210, Arcadia Building, 2nd Floor,
 195, Nariman Point,
 Mumbai - 400021.

NAGDA OFFICE

Birlagram, Nagda-456 331
 Madhya Pradesh.

**REGISTRAR & SHARE TRANSFER
AGENT**

LINK INTIME INDIA PRIVATE LIMITED
 C-13, Pannalal Silk Mills Compound,
 L. B. S. Marg, Bhandup (West),
 Mumbai- 400 078.

| Contents | |
|---------------------------------------|----|
| Notice | 3 |
| Directors' Report | 6 |
| Compliance Certificate | 9 |
| Report on Corporate Governance | 13 |
| Certificate on Corporate Governance | 23 |
| Management Discussion Analysis Report | 25 |
| Auditor's Report | 27 |
| Balance Sheet | 32 |
| Profit & Loss Account | 33 |
| Schedules | 34 |
| Balance sheet abstract | 46 |
| Cash flow | 47 |
| Proxy Form/ Attendance slip | 48 |

24th Annual Report 2008 - 2009

NOTICE

NOTICE is hereby given that the Twenty Forth Annual General Meeting of the Members of **Aroni Commercials Limited** (Formerly Aroni Chemical Industries Ltd) will be held at 29, Bank Street, 1st Floor, Fort, Mumbai- 400023 on Saturday, the 26th day of September, 2009 at 5.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2009 and Profit and Loss Account and annexures thereto for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ashwin Kumar Kothari, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 18th August, 2009

ASHWIN KUMAR KOTHARI
CHAIRMAN

REGISTERED OFFICE:
209-210, Arcadia Building, 2nd Floor,
195, Nariman Point, Mumbai - 400021.

24th Annual Report 2008 - 2009

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Chairman, so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
3. The Register of Members and Share Transfer Books will remain closed from Saturday, 19th September 2009 to Saturday, 26th September, 2009 (both days inclusive).
4. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup- (West), Mumbai- 400078 in respect of their physical share folios.
5. Members are requested to bring their copy of Annual Report to the Meeting.
6. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
7. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange, of the person, seeking re-appointment as Director under Item No. 2 above, is annexed.

24th Annual Report 2008 - 2009

BRIEF RESUME OF PERSON PROPOSED TO BE RE-APPOINTED AS DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING:

| | |
|--|---|
| Name | Shri Ashwin Kumar Kothari |
| Date of Birth | 14 th September, 1942 |
| Qualification | S.B. (MIT) |
| Nature of Expertise | Business |
| Experience | Experience of over 28 years in the field of Investment, Trading, Finance and Manufacturing. |
| Name of Companies in which also holds Directorship | <ol style="list-style-type: none"> 1)Gwalior Chemical Industries Ltd. 2)Five Star Trading & Investment Co. Ltd. 3) Rajashree Holding Ltd. 4) Park Avenue Engineering Ltd. 5) Meenakshi Steel Industries Ltd. 6) Jatayu Textile & Industries Ltd. 7) Sunayana Traders And Investment Co.Ltd. 8) Essel Mining & Industries Ltd. 9) Aditya Birla Health Services Ltd. 10) Sambhav Finance and Trading co. Ltd. 11) Precision Wires India Ltd 12) Mahavir box manufacturing Pvt. Ltd 13) Sam-Jag-Deep Investment Pvt. Ltd. |
| Name of the Companies in Committees of which holds membership / chairmanship | Precision Wires India Ltd. - Member of Audit Committee and Remuneration Committee. |
| Shareholding in Aroni Commercials Limited as on 31 st March, 2009 | 22140 Equity Shares of Rs. 10/- each. |

For and on Behalf of the Board of Directors

Place : Mumbai
Dated : 18th August, 2009

ASHWIN KUMAR KOTHARI
CHAIRMAN

24th Annual Report 2008 - 2009

ARONI COMMERCIALS LIMITED DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 24th Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March, 2009.

FINANCIAL HIGHLIGHTS:

| Particulars | (Amount in Lacs) | |
|--|--------------------------|--------------------------|
| | Year ended 31.03.2009 | Year ended 31.03.2008 |
| Interest Received and other Income | 72.58 | 874.53 |
| Profit before Interest, Depreciation | | |
| Extraordinary items and Tax | 51.09 | 835.80 |
| Less: Interest | 7.63 | 0.05 |
| Less: Depreciation | 20.72 | 3.30 |
| Profit before Tax | 22.74 | 829.15 |
| Add/(Less): Provision for Taxation | | |
| a) Current | - | (86.60) |
| b) Previous Year | (0.28) | - |
| b) Deferred Tax Expenses | 3.12 | (1.02) |
| c) Fringe Benefit tax | (1.40) | (0.47) |
| Net Profit after Taxation | 24.17 | 744.40 |
| Balance brought forward from Previous Year | 3383.25 | 2638.84 |
| Profit available for appropriation | 3407.42 | 3383.24 |
| Balance Carried Forward | 3407.42 | 3383.24 |

Dividend:

Your Directors do not recommend any dividend for the year ended on 31st March 2009 with a view to conserve the resources for future.

Operations & Performance:

During the year ended 31st March, 2009, your Company achieved a total income aggregating to Rs. 72.58 Lacs. After providing for Depreciation and Finance Charges, the Company has registered a profit before tax of Rs. 22.74 Lacs. After making provision for tax in respect of current year, the profit after tax of Rs. 24.17 Lacs has been carried to the Balance sheet.

Although the Company maintains adequate internal control systems covering all its operation areas, the Company's Audit Committee reviews these internal control systems in detail for their effectiveness and their adequacy in the present scenario. The Directors are putting in their efforts and are hopeful of improved working during the years to come.

24th Annual Report 2008 - 2009

Directors:

Shri Ashwin Kumar Kothari, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

A brief profile of Directors proposed to be appointed/ re-appointed is given in the notes to the Notice of the ensuing Annual General Meeting.

Directors' Responsibility Statement:

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date;
- that the Directors 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.
- that the annual accounts for the year ended 31st March, 2009 have been prepared on a going concern basis.

Corporate Governance:

A Report on Corporate Governance along with a certificate from M/s. Nishant Jawasa & Associates, Company Secretaries in practice, regarding compliance of the requirements of Corporate Governance, as also a Management Discussion & Analysis Report pursuant to Clause 49 of the Listing Agreement with the Stock Exchange are annexed hereto.

Auditors:

M/s Lalit Mehta Associates, Chartered Accountants, the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Members are requested to appoint auditors for the current year and to authorize the Board to fix their remuneration.

24th Annual Report 2008 - 2009

Auditors' Report:

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes on Accounts for the year ended 31st March, 2009 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

Secretarial Compliance Certificate:

The Secretarial Compliance Certificate issued by M/s. Nishant Jawa & Associates, Company Secretaries, pursuant to the requirement of proviso to sub-section (1) of section 383A of the Companies Act, 1956 is enclosed herewith.

Public Deposits:

The Company has not accepted any deposits from public.

Shifting of Registered Office:

The registered office of the Company has been shifted to the new premises due to administrative convenience at the following address with effect from 17th August, 2009:

209-210, Arcadia Building, 2nd Floor,
195, Nariman Point,
Mumbai - 400021.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo:

A) Conservation of Energy and Technology Absorption:

The Company has not engaged in any manufacturing activity and had no foreign collaboration and also has not imported or exported any goods and services.

B) Foreign Exchange Earnings & Outgo:

(Rs. In Lacs)

| PARTICULARS | 2008-2009 | 2007-2008 |
|--------------------------|-----------|-----------|
| Foreign Exchange Earning | Nil | Nil |
| Foreign Exchange Outgo | Nil | Nil |

Particulars of Employees:

The Company does not have any employee in receipt of remuneration equal to or exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Acknowledgements:

Your Directors take this opportunity to express their gratitude for the support and co-operation from the Investors, Banks and Statutory Authorities. Your Directors express their deep appreciation to the Company's employees at all levels for their unstinted efforts and valuable contributions during the year.

For and on behalf of the Board of Directors

Place: Mumbai

Dated : 18th August, 2009

ASHWIN KUMAR KOTHARI
CHAIRMAN

24th Annual Report 2008 - 2009

COMPLIANCE CERTIFICATE

To,
The Members,
Aroni Commercials Limited,
Mumbai.

We have examined the registers, records, books and papers of **Aroni Commercials Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2009 (financial year). In our opinion and to the best of my /our information and according to the examinations carried out by me / us and explanations furnished to me /us by the Company, its officers and agents, We certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited Company, comments are not required.
4. The Board of Directors duly met **Nine** times respectively on **7th April 2008, 20th May 2008, 30th June 2008, 30th July 2008, 18th August 2008, 28th October 2008, 21st November 2008, 28th January 2009 and 2nd March 2009** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from Saturday 20th September 2008 to Saturday 27th September 2008 (Both days inclusive).
6. The annual general meeting for the financial year ended 31st March 2008 was held on 27th September 2008 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary general meeting was held during the year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act in respect of contracts specified in that section.

24th Annual Report 2008 - 2009

10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. The Company:
 - (i) has delivered all the share certificate on lodgment thereof for transfer/transmission of securities in accordance with the provisions of the Act and there was no allotment of shares during the financial year.
 - (ii) has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - (iv) was not required to transfer any amount to Investor Education and Protection Fund.
 - (v) has duly complied with the requirements of section 217.
14. The Board of Directors of the company is duly constituted and there was no appointment of additional directors / alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director / Whole time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.