

**BOARD OF DIRECTORS**

Shri Ashwin Kumar Kothari  
 Shri Rohit A. Kothari  
 Shri Jaysukhlal N. Shah (Appointed on 14/01/2010)  
 Shri Rajnikant Khalpada  
 Shri Umaidmal Kala (Resigned on 14/01/2010)

**BANKERS**

HDFC Bank Limited  
 State Bank of India  
 UCO Bank

**AUDITORS**

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

**REGISTERED OFFICE**

209-210, Arcadia Building,  
 2<sup>nd</sup> Floor, Plot No. 195,  
 Nariman Point,  
 Mumbai - 400021.  
 Tele. : 66708600  
 Fax. : 66708650

**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- 400078.

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## NOTICE

**NOTICE** is hereby given that the Twenty Fifth Annual General Meeting of the Members of **Aroni Commercials Limited** will be held at 29, Bank Street, 1<sup>st</sup> Floor, Fort, Mumbai- 400023 on Saturday, the 25<sup>th</sup> day of September, 2010 at 5.00 P.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2010 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 Rohit A. Kothari, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers him 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.

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Shri Jaysukhlal N. Shah, who was appointed as an Additional Director of the Company on 14<sup>th</sup> January, 2010 pursuant to the provisions of Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company and who would vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 along with necessary deposit from a Share holder proposing the candidature of Shri Jaysukhlal N. Shah as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Dated: 16<sup>th</sup> August, 2010**

**ASHWIN KUMAR KOTHARI**  
**CHAIRMAN**

**REGISTERED OFFICE:**  
209-210, Arcadia Building,  
2<sup>nd</sup> Floor, Plot No. 195,  
Nariman Point, Mumbai - 400021.

**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 Monday, 20th September 2010 to Saturday, 25<sup>th</sup> September, 2010 (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.
8. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item Nos. 4 is annexed hereto.

**BRIEF RESUME OF PERSONS PROPOSED TO BE RE-APPOINTED AS DIRECTORS OF THE COMPANY AT THE ANNUAL GENERAL MEETING:**

<b>Name</b>	Shri Rohit A. Kothari	Shri Jaysukhlal N. Shah
AGE	36	70
Qualification	ACA , MBA	Under Graduate
Nature of Expertise	Investment & Trading	Investment & Trading
Experience	Experience of over 10 Years in the field of Investment, Trading and Finance.	Experience of over 40 Years in the field of Investment, Trading and Finance.
Name of Companies in which also holds Directorship	1. Monsoon Trading Company Ltd. 2. Sushree Trading Ltd. 3. Alpine Trading & Finance Ltd. 4. Rangoli Holding Ltd. 5. GeeCee Ventures Ltd. 6. Four Dimensions Securities [India] Ltd. 7. Four Dimensions Capital Markets Pvt. Ltd. 8. Antique Finance Pvt. Ltd.	1. Arices laboratories Ltd.
Name of the Companies in Committees of which holds membership / chairmanship	---	---
Shareholding in Aroni Commercials Limited	1005 Shares	99 Shares

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:**Item No. 4

Shri Jaysukhlal N. Shah was appointed as an Additional Director of the Company w.e.f. 14th January 2010 and will hold office upto the date of the ensuing Annual General Meeting of the Company.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member signifying his intention for appointment of Shri Jaysukhlal Nemchand Shah as a Director of the Company.

Considering varied experience of Shri Jaysukhlal N. Shah in field of handling commercial and management aspects of the organisation it will be in the interest of the company to appoint him as a director. Your Director recommends the appointment of Shri Jaysukhlal N. Shah as a Director.

None of the Directors except Shri Jaysukhlal N. Shah are interested or concerned in the aforesaid resolution.

For and on Behalf of the Board of Directors

Place : Mumbai  
Dated :16<sup>th</sup> August, 2010

**ASHWIN KUMAR KOTHARI**  
**CHAIRMAN**

## ARONI COMMERCIALS LIMITED

## DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2010.

**FINANCIAL HIGHLIGHTS:**

Particulars	(Amount in Lacs)	
	Year ended 31.03.2010	Year ended 31.03.2009
Interest Received and other Income	129.21	72.58
Profit before Interest, Depreciation, Extraordinary items and Tax	98.92	51.09
Less: Interest	29.92	7.63
Less: Depreciation	15.36	20.72
Profit before Tax	53.65	22.74
Add/(Less): Provision for Taxation		
a) Current	-	-
b) Previous Year	26.53	(0.28)
b) Deferred Tax Expenses	1.88	3.12
c) Fringe Benefit tax	-	(1.40)
Net Profit after Taxation	82.06	24.17
Balance brought forward from Previous Year	3407.41	3383.25
Profit available for appropriation	3489.47	3407.42
Balance Carried Forward	3489.47	3407.42

**Dividend:**

Your Directors do not recommend any dividend for the year ended on 31<sup>st</sup> March 2010 with a view to conserve the resources for future.

**Operations & Performance:**

During the year ended 31<sup>st</sup> March, 2010, your Company achieved a total income aggregating to Rs. 129.21 Lacs. After providing for Depreciation and Finance Charges, the Company has registered a profit before tax of Rs. 53.65 Lacs. After making provision for tax in respect of current year, the profit after tax of Rs. 82.06 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.

**Directors:**

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

Shri Umaidmal Kala had resigned as director of the Company on 14<sup>th</sup> January, 2010. The Board places on record their deep appreciation for the services rendered by Shri Umaidmal Kala during his respective tenure on the Board.

Shri Jayshukhlal N. Shah was appointed as an Additional Director of the Company w.e.f 14th January, 2010 pursuant to Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company. He will hold his office as such till the ensuing Annual General Meeting. The Company has received a Notice under Section 257 of the said act from a shareholder proposing the candidature of the said Additional Director for the office of Director of the Company.

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 31<sup>st</sup> March, 2010 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 31<sup>st</sup> March, 2010 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.

**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 31<sup>st</sup> March, 2010 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 Jawasa & 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.

**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)**

<b>PARTICULARS</b>	<b>2009-2010</b>	<b>2008-2009</b>
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: 16<sup>th</sup> August, 2010**

**ASHWIN KUMAR KOTHARI**  
**CHAIRMAN**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (a) Industry structure and developments

India is one of the fastest growing economies in the world with a rapidly expanding financial services sector. The Indian financial services industry has experienced significant growth in the last few years. There has been a considerable broadening and deepening of the Indian financial market due to various financial market reforms undertaken by the Indian regulators, the introduction of innovative financial instruments in the recent years and the entry of sophisticated domestic and international financial services participants. Investment and trading in securities are the core business of our Company. In the past the markets have crashed and therefore the revenues of the company fall drastically and the Company is under pressure to cut costs and improve its profitability further. In these types of industries the following golden rule to be applied i.e “the right decision at the right time.”

### (b) Opportunities and threats

Indian Economy provides excellent growth opportunities as the increased thrust to power, road, ports, telecom and other urban infrastructure projects will create a positive environment for the Investment and Financial Services Industry in India. Further, growth of service sector also presents new opportunities for Investment and Financial Services Industry in India.

### (c) Segment-wise or product-wise performance

The Company's main business is trading and investment in shares and all the activities of the Company are related to these business. As such there are no separate reportable segments.

### (d) Outlook

The Company continues to explore the possibilities of expansion in its activities and will make the necessary investments when attractive opportunities arise.

### (e) Risks and Concerns

The Company's exposed to the market risk and credit risk. It is further exposed to risk of economic cycle. The company manages these risks by remaining very conservative and following other risk management practices.

### (f) Internal Control Systems and their adequacy

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of its business. These systems and procedures provide reasonable assurance of maintenance of proper accounting records, reliability of financial information, protection of resources and safeguarding of assets against unauthorized use. The management regularly reviews the internal control systems and procedures.

**(g) Discussions on Financial Performance with respect to Operational Performance:****(Rs. in Lacs)**

<b>Highlights</b>	<b>2009-2010</b>	<b>2008-2009</b>	<b>% Change</b>
Income from Operations	129.21	72.58	78.02
Profit before Interest, Depreciation and Tax	98.92	51.09	93.62
Interest Expenditure	29.92	7.63	292.14
Depreciation	15.36	20.72	(25.87)
Provision for Taxation (Including Deferred Tax & Fringe benefit tax)	28.41	1.44	1872.92
Net Profit after Tax	82.06	24.17	239.51
Earnings per Share (in Rs.)			
- Basic	1.99	0.59	237.29
- Diluted	1.99	0.59	237.29

**(h) Human Resource Development**

The Company believes that the human resources are vital resource in giving the company a competitive edge in the current business environment. The company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/dissemination, creativity and responsibility. As in the past, the company enjoyed cordial relations with the employees at all levels.