

ARONI COMMERCIALS LIMITED

27TH

ANNUAL REPORT

2011-2012

ARONI COMMERCIALS LIMITED

BOARD OF DIRECTORS

Mr. V. V. Sureshkumar

Mr. Anilkumar Rajan (Resigned w.e.f. 29.5.2012)

Mr. Ritesh Zaveri – Additional Director (appointed w.e.f. 29.05.2012)

Mr. Bhagwati Prasad Kejariwal – Independent Director

Mr. Ashish Mohta-Independent Director

BANKERS

HDFC Bank Limited

COMPANY SECRETARY

Avani Jani

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, Plot No. 195,

Nariman Point,

Mumbai - 400021.

Tel. : 66708600

Fax. : 66708650

REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup (West),

Mumbai- 400078.

Tel. : 022 -25963838, Fax. :022-25946969

WEB SITE:

www.aronicommercials.com

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ARONI COMMERCIALS LIMITED

NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of **Aroni Commercials Limited** will be held at 29, Bank Street, 1st Floor, Fort, Mumbai – 400 001 on Saturday, the 29th day of September, 2012 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, 2012 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 Mr. V. V. Sureshkumar, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers him for re-appointment.
3. To re-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** Mr. Ritesh Zaveri, who was appointed as an Additional Director of the Company as on 29th May, 2012 pursuant to the provision of Section 260 of the Companies Act, 1956 read with Article 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 Mr. Ritesh Zaveri proposing his candidature 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.”

Place : Mumbai

Dated : 13th August, 2012

REGISTERED OFFICE :

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

By order of the Board of Directors

Sd/-

AVANI JANI
COMPANY SECRETARY

ARONI COMMERCIALS LIMITED

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, 24th September 2012 to Saturday, 29th September, 2012 (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 and appointment as Director under Item No. 2 and Item No. 4 above is annexed.

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

Name	Mr. V. V. Sureshkumar	Mr. Ritesh Zaveri
Age	54 years	38 Years
Qualification	B.com Diploma in Marketing and Management	B.Com
Nature of Expertise	Marketing, Investment and Trading	Accounts & Finance
Experience	Experience of over 31 years in the field of Marketing, Investment and Trading	Experience of over 15 years in the field of accounts and Finance
Name of Companies in which also holds Directorship	<ol style="list-style-type: none"> 1. GeeCee Investments Limited 2. Winro Commercial (India) Limited 3. Arcies Laboratories Ltd. 4. Newage Dyes and Chemicals Pvt. Ltd. 5. GeeCee Logistics And Distributions Private Limited 6. Mountain Side Agriculture Private Limited 7. Rosy Agriculture Private Limited 	<ol style="list-style-type: none"> 1. Paritej Molecules Private Limited 2. Newage Dyes and Chemicals Private Limited 3. Windsor Trading And Finance Private Limited 4. Urudavan Investment and Trading Private Limited 5. Sandeep Farming Private Limited 6. G T Z (Bombay) Private Limited 7. Yashvi Farms and Plantation Private Limited
Name of Companies in Committees of which holds membership / chairmanship	<ol style="list-style-type: none"> 1. Winro Commercial (India) Limited 	NIL
Shareholding in Aroni Commercials Limited	2040	NIL

ARONI COMMERCIALS LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 :

Item Nos. 4

Mr. Ritesh Zaveri was appointed as an Additional Director of the Company w.e.f 29th May 2012 and will hold office upto the date of the ensuing Annual General Meeting of the Company.

The Company has received notice under section 257 of the Companies Act, 1956 from a Mr. Ritesh Zaveri signifying his intention for being appointed as Director of the Company. Considering the varied experience of Mr. Ritesh Zaveri in the field of Accounts & Finance it will be in the interest of the company to appoint him as director. Your directors recommend the appointment of the Ritesh Zaveri as Director of the Company.

None of the Directors, except the director being appointed, is interested or concerned in the aforesaid resolution.

By order of the Board of Directors

Sd/-

Place : Mumbai

Dated : 13th August, 2012

AVANI JANI
COMPANY SECRETARY

ARONI COMMERCIALS LIMITED

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 27th Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March, 2012.

1. FINANCIAL HIGHLIGHTS:

Particulars	(Amount in Lacs)	
	Year ended 31.03.2012	Year ended 31.03.2011
Revenue from operations & other income	79.85	274.99
Profit before finance cost, Depreciation, Extraordinary items and Tax	32.78	185.72
Less: Finance cost	2.50	5.67
Less: Depreciation	8.60	11.39
Profit before Tax	21.68	168.66
Add/(Less): Provision for Taxation		
a) Current	(32.24)	(17.65)
b) Previous Year	-	(1.54)
c) MAT credit	73.34	-
d) Deferred Tax (Expenses)/Income	(3.45)	90.18
Net Profit after Taxation	59.33	239.65
Balance brought forward from Previous Year	3729.12	3489.47
Balance Carried Forward	3788.45	3729.12

2. DIVIDEND:

Your Directors do not recommend any dividend for the year ended 31st March 2012 with a view to conserve the resources for future.

3. OPERATIONS & PERFORMANCE:

During the year ended 31st March, 2012, your Company has earned total revenue aggregating to Rs. 79.85 Lacs. After providing for Depreciation and Finance Cost, the Company has registered a profit before tax of Rs. 21.68 Lacs. After making provision for tax in respect of current year and deferred tax credit, the profit after tax of Rs. 59.33 Lacs has been carried to the Balance sheet.

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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.

During the year to widen its business prospects the company has become SEBI registered sub broker of M/s Shriyam Broking Intermediary Ltd (A BSE Corporate Member) in their capital market segment. However the company is yet to start this business activity.

4. DIRECTORS:

Mr. V. V. Sureshkumar Director of the Company retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Ritesh Zaveri was appointed as an Additional Director of the Company w.e.f 29th May, 2012 pursuant to Section 260 of the Companies Act, 1956 read with the Article 121 of Articles of Association of the Company. He will hold the office as such till the ensuing Annual General Meeting. The Company has received Notice under section 257 of the said act from Mr. Ritesh Zaveri proposing his candidature for 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.

5. 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, 2012 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, 2012 have been prepared on a going concern basis.

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6. CORPORATE GOVERNANCE:

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

7. MANGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated in the Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming the part of the Annual Report.

8. AUDITORS :

M/s Lalit Mehta Associates, Chartered Accountants, the Statutory Auditors of the Company, retires 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.

9. 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, 2012 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956 as it does not contain any qualification in the same.

10. PUBLIC DEPOSITS :

The Company has not accepted any deposits from public.

11. 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. Hence the particulars as required under section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are not applicable.

B] Foreign Exchange Earnings & Outgo : (Rs. in Lacs)

PARTICULARS	2011-2012	2010-2011
Foreign Exchange Earning	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

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12. 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.

13. 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

Sd/-

Place : Mumbai

Dated : 29th May, 2012

V. V. SURESHKUMAR
CHAIRMAN

ARONI COMMERCIALS LIMITED

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 2012** (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 have held their meetings at regular intervals 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 Monday, 19th September, 2011 to Saturday, 24th September, 2011 (both days inclusive).
6. The Annual General Meeting for the financial year ended 31st March 2011 was held on Saturday, 24th September, 2011 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.

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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. There was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancies 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 any approvals of the Central Government, Company Law Board, Regional Director, Registrar / or such authorities 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 thereunder.
19. The Company has not issued any shares /debenture 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.

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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.
23. As per the information & explanation given, the Company has not invited/accepted any deposits including any unsecured loans falling within the purview of the section 58A during the financial year.
24. The Company has not borrowed any amount during the financial year ending 31st March, 2012.
25. The principal business of the Company is the acquisition of shares, stock, debentures and other securities and therefore provisions of Section 372A of the Companies Act, 1956 are not applicable to the Company.
26. The Company has not altered any provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association of the Company during the year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the period, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company was not required to deduct any contribution towards Provident Fund during the financial year.

For **Nishant Jawa** & Associates
Company Secretaries

Sd/-
Nishant Jawa
Proprietor
(C.P. No.: 6993)

Place : Mumbai
Date : 29th May, 2012

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“Annexure A”

Registers as maintained by the Company

Statutory Registers:

1. Register of charge u/s 143
2. Register of Members u/s 150
3. Register of Directors, Managing Director, Manager and Secretary u/s 303
4. Register of Disclosures of Interest by Directors u/s 301(3)
5. Minutes Book u/s 193
6. Register of Contracts u/s 301
7. Register of Directors Shareholdings u/s 307

Other Registers:

1. Register of Transfers

“Annexure B”

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2012.

Sr. No.	Form No./ Return	Filed under Section	For	Date of Filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
1.	Form No. 23AC & 23ACA	S 220	Annual Requirement	31.12.2011	Yes	N.A
2.	Form 66	S 383A	Annual Requirement	30.09.2011	Yes	N.A
3.	Form 20B	S 159	Annual Requirement	21.11.2011	Yes	N.A
4.	Form 32	S 303	Change in Directorship of the Company	12.10.2011	Yes	N.A
5	Form 32	S 303	Appointment of secretary of the Company	06.03.2012	Yes	N.A

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MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry structure

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.

(b) Business Developments

Your Company has set up adequate infrastructure along with a team of professionals for carrying on the business of the company efficiently.

During the year to widen its business prospects the company has become SEBI registered sub broker of M/s Shriyam Broking Intermediary Ltd (A BSE Corporate Member) in their capital market segment. However the company is yet to start this business activity.

(c) Opportunities and threats

Immense opportunities exist in the Investment and Financial Services Industry depending upon the growth of the country. The Major threat to your company's fortune would be on account of adverse capital market trends and sentiments affected by domestic and global factors.

(d) Segment-wise or product-wise performance

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

(e) Outlook

The Company continues to explore the possibilities of expansion in its activities and will make the necessary investments when attractive opportunities arise. Your Company is well placed to seize the long term opportunity in financial market in India.

(f) Risks and Concerns

Your Company is exposed to the fluctuations of economy and industry cycles. The company manages these risks by remaining very conservative and following other risk management practices. The management believes that efficient business planning risk management and product diversification would help mitigate such risks.

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(g) Internal Control Systems and their adequacy

As a part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit system reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. 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.

(h) Discussion on Financial Performance with respect to operational Performance:

Highlights	2011-2012 (Rs. in Lacs)	2010-2011 (Rs. in Lacs)	Change in %
Revenue from operations & other income	79.85	274.99	(70.96)
Profit before Finance Cost, Depreciation and Tax	32.78	185.72	(82.35)
Finance cost	2.50	5.67	(55.90)
Depreciation	8.59	11.39	(24.58)
Provision for taxation (Including Deferred Tax & Fringe benefit tax)	37.65	70.98	(46.97)
Net Profit after Tax	59.33	239.65	(75.24)
Earnings per share (in Rs.)			
- Basic	1.44	5.81	(75.21)
- Diluted	1.44	5.81	(75.21)

(i.) 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.

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REPORT ON CORPORATE GOVERNANCE

(A) Company's Philosophy on Code of Corporate Governance

Corporate Governance means to steer an organization in the desired direction. Aroni Commercial Limited believes that Corporate Governance brings equilibrium between the expectations of owners, employees, customers and all other stakeholders. Your Company's philosophy on corporate governance is to observe the highest level of ethics in all dealings, to ensure the efficient conduct of affairs of the Company to achieve its goal of maximizing value of all its stakeholders. In addition to the basic governance issues, the Company lays significant emphasis on the principles of trusteeship, transparency, empowerment, accountability and integrity. The Company, through its Board and Committees, endeavours to strike and deliver the highest governing standards for the benefit of its stakeholders.

(B) Board of Directors

(i) Board Composition

The composition of the Board is in accordance with the requirements of the corporate Governance code of Listing Agreement with the stock exchanges. The Board of Directors consists of optimal combination of Non-Executive and Independent directors. As on the date of report the Board comprised of Four Non - Executive Directors of which two are Independent Directors. The Chairman of the Board is a Non-Executive Director.

As on the date of this report, the constitution of the Board is as given below:

Director	Executive/Non-Executive/Independent	Number of other		
		Directorships*	Committee Memberships#	Committee Chairmanships#
Mr. V. V. Sureshkumar	Chairman, Non-Executive,	3	3	0
Mr. Bhagwati Prasad Kejariwal	Non-Executive, Independent	0	0	0
Mr. Anilkumar Rajan**	Non-Executive,	1	0	0
Mr. Ashish Mohta	Non-Executive, Independent	0	0	0
Mr. Ritesh Zaveri***	Non-Executive Additional director	0	0	0

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* Other Directorships exclude Directorships held in Private Limited Companies and in Aroni Commercials Limited.

#Committee of Directors includes Audit Committee, Shareholders /Investors Grievance Committee and Remuneration Committee of Directors only. Committee Membership does not include Membership in Committee of Directors of ACL.

** Resigned with effect from 29th May, 2012.

*** Appointed with effect from 29th May, 2012.

(ii) Board Meetings and Attendance of Directors

The Board meets at least once in a quarter to consider amongst other business the performance of the Company and quarterly financial results. When necessary, additional meetings are held. The Board meetings are generally held at the Registered Office of the Company at Mumbai. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda.

There were twelve Board Meetings during the year ended 31st March, 2012 i.e. on, 3rd May 2011, 14th May 2011, 28th May, 2011, 26th June, 2011, 2nd August 2011, 12th August, 2011, 24th August, 2011, 12th November 2011, 17th January 2012, 13th February 2012, 1st March, 2012, 24th March 2012. The Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2011-12 and the last AGM :

Name of the directors	Number of Board Meetings held	Number of Board Meetings attended	Whether attended last AGM
Mr. V. V. Sureshkumar	12	12	Yes
Mr. Anilkumar Rajan*	12	12	Yes
Mr. Ashish Mohta	12	12	Yes
Mr. Ritesh Zaveri**	0	0	No
Mr. Bhagwati Prasad Kejariwal	12	12	Yes

* Resigned with effect from 29th May, 2012

** Appointed with effect from 29th May, 2012

(iii) Remuneration Policy:

None of the Directors are paid any remuneration or sitting fees. Presently, the Company does not have any stock option plan or performance linked incentives for its Directors.

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Shares held by Non-Executive Directors as on 31st March, 2012

Name of the Non-Executive Director	Equity Shares held (No.)
Mr. Bhagwati Prasad Kejariwal	NIL
Mr. V. V. Sureshkumar	2040
Mr. Anilkumar Rajan*	NIL
Mr. Ashish Mohta	NIL
Mr. Ritesh Zaveri**	NIL

* Resigned with effect from 29th May, 2012

** Appointed with effect from 29th May, 2012

(C) Board Committees

To enable better and more focused attention on the affairs of the corporation, the Board delegate particular matters to the committee set up for the purpose. The committees prepare the groundwork for decision making and report at the subsequent Board meeting. Currently, the Board has two Committees –

1. Audit Committee
2. Shareholders/Investors Grievance Committee.

The Board is responsible for the constitution, co-opting and fixing the terms of reference for Committee members of the said Committees.

(i) Audit Committee

Terms of reference

(a) Primary objectives of the Audit Committee

The Audit Committee of the Company inter-alia provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. The primary objective of the Audit Committee (the "Committee") is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out in the financial reporting process – by the management, including the independent auditor – and notes the process and safeguards employed by each.

(b) Scope of the Audit Committee

1. Provide an open avenue of communication between the independent auditor and the Board of Directors ("BoD")

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2. Recommending the appointment, re-appointment and if required the replacement or removal of statutory auditors, fixation of audit fees and also to approve the payment for other services.
3. Meet Four times a year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
4. Confirm and assure the independence of the external auditor.
5. Review with independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
6. Consider and review with the independent auditor the adequacy of internal controls including the computerised information system controls and security;
7. Reviewing with the management the Quarterly financial statements before submission to the Board for approval.
8. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - (a) Any changes in the accounting policies and practices
 - (b) The going concern assumption
 - (c) Compliance with accounting standards
 - (d) Compliance with listing and other legal requirements concerning financial statements
 - (e) Significant adjustment arising out of audit
 - (f) Disclosure of any related party transactions.
 - (g) Qualification in the draft audit report
9. Consider and review with the management and the independent auditor;
 - (a) Significant findings during the year, including the status of previous audit recommendations,
 - (b) Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
10. Review of the following information:
 - (a) Management discussion and analysis of the financial conditions and results of operations;

ARONI COMMERCIALS LIMITED

- (b) Statement of significant related party transactions submitted by the management;

The Management is responsible for the Company's internal controls and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the applicable accounting standards and for issuing a report thereon. The Committee's responsibility is to monitor these processes. The Committee is also responsible to oversee the processes related to the financial reporting and information dissemination, in order to ensure that the financial statements are true, correct, sufficient and credible.

(c) Composition of the Audit Committee

The Audit Committee comprises of three Non-Executive Directors of which two are Independent Directors. The Audit Committee is constituted in accordance with the Corporate Governance Code of the Listing Agreement and the provisions of the Companies Act, 1956. The statutory auditors are invited to the Audit Committee Meetings whenever required. The quorum for the Audit Committee Meeting is two members.

The composition of the Audit Committee as on date of this report is as follows:

1. Mr. Bhagwati Prasad Kejariwal - Chairman
2. Mr. Anilkumar Rajan* - Member
3. Mr. Ashish Mohta - Member
4. Mr. Ritesh Zaveri ** - Member

* Resigned with effect from 29th May, 2012

** Appointed with effect from 29th May, 2012

(d) Audit Committee Meetings and Attendance during the financial year ended 31st March, 2012

During the financial year ended 31st March, 2012, four Audit Committee Meetings were held on 28th May 2011, 12th August 2011, 12th November 2011 and 13th February 2012. The table hereunder gives the attendance record of the Audit Committee members.

Name of the Members	No. of meetings held	No. of Meetings attended
Mr. Bhagwati Prasad Kejariwal	4	4
Mr. Anilkumar Rajan*	4	4
Mr. Ashish Mohta	4	4
Mr. Ritesh Zaveri**	0	0

ARONI COMMERCIALS LIMITED

* Resigned with effect from 29th May, 2012

** Appointed with effect from 29th May, 2012

The Committee has recommended to the Board the appointment of M/s. Lalit Mehta Associates, Chartered Accountants, as the statutory and independent auditors of the Company for the Financial Year ending 31st March, 2012 and that necessary resolution for appointing them as auditors be placed before the shareholders.

(ii) Shareholders/Investors Grievance Committee:

Composition:

The Shareholders/Investors Grievance Committee is headed by a Non-Executive Director and consisted of the following members as on date of this report:

Mr. Anil Kumar Rajan*	-	Chairman
Mr. Ashish Mohta	-	Member.
Mr. Ritesh Zaveri**	-	Member/ Chairman

* Resigned with effect from 29th May, 2012

** Appointed with effect from 29th May, 2012

Scope of the Shareholders/Investors Grievance Committee:

The said Committee inter-alia, deals with various matters relating to transfer/transmission of shares, issue of duplicate share certificate, investors' grievances and redressal mechanism and to recommend measures to improve the level of investor services.

Details of Shareholders' complaints received, not solved and pending during the Financial Year ended 31st March, 2012:

There was no complaint received during the year ended March 31, 2012. There were no pending / unattended complaints as on March 31, 2012.

(D) General Body Meetings:

Details of last **three** Annual General Meetings are given hereunder

Year	Date	Venue	Time
2008-2009	26/09/2009	29, Bank Street, 1 st Floor, Fort, Mumbai – 400 001	5.00 p.m.
2009-2010	25/09/2010	29, Bank Street, 1 st Floor, Fort, Mumbai – 400 001	5:00 p.m.
2010-2011	24/09/2011	29, Bank Street, 1 st Floor, Fort, Mumbai – 400 001	5.00 p.m

ARONI COMMERCIALS LIMITED

Special Resolution:

In the Annual General Meeting held on 24th September, 2011, no Special Resolution was passed.

Postal ballots

No Special Resolution requiring postal ballot was placed before the last Annual General Meeting. No special resolution is being proposed for the ensuing Annual General Meeting for being passed through postal ballot.

(E) Disclosures:

(i) Related Party Transactions:

There are no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large.

(ii) Compliances by the Company:

There is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years/period.

(iii) Whistle Blower Policy:

The Company has not established the non-mandatory requirement of Whistle Blower Policy.

(iv) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:

The company has to comply with the provisions of clause 40 (A) of the listing agreement with regard to minimum public shareholding percentage in the company. The company is in process for evaluating the various methods for the same and will comply with clause 40 A in the due course. The Company has complied with the other mandatory requirement of the Corporate Governance Clause of Listing Agreement. The Company has not implemented the non-mandatory requirements enlisted by way of annexure to Clause 49 of the listing agreement.

(F) Means of Communication:

- (i) The quarterly results of the Company are published in two newspapers in compliance with the provisions of Clause 41 of the listing agreement. Generally, the same are published in *The Free Press Journal or Asian Age (English language)* and *Nav Shakti or Lakshdeep (Marathi language)* in Mumbai and *Business Standard or Financial Express (English language)* and *Lipi or Kalantar (Bengali language)* in Kolkata. As the results of the Company are published in the newspapers, half-yearly reports are not sent to each household of shareholders. The quarterly results as well as the proceedings of the Annual General Meeting are intimated to the Exchange, immediately after the conclusion of the respective meeting.

ARONI COMMERCIALS LIMITED

(ii) No presentations were made to the institutional investors or to analysts during the year under review.

(iii) The Management Discussion and Analysis Report forms a part of this Annual Report.

(G) Certificate on Corporate Governance :

As required by Clause 49 of the Listing Agreement, a certificate issued by M/s. Nishant Jawasa & Associates, practising Company Secretaries, regarding compliance with Corporate Governance norms is given as an annexure to this Report.

(H) CFO Declaration :

As required by Clause 49 of the Listing Agreement, the CFO declaration on compliance of the Company's code of conduct is provided as an Annexure to Report.

(I) General Shareholders' Information :

- | | | |
|--------------|--|---|
| (i) | Date, time and venue of Annual General Meeting of Shareholders | 29 th September 2012, 5.00 P.M. 29, Bank Street, 1 st Floor, Fort, Mumbai- 400001 |
| (ii) | Financial Calendar
(tentative and subject to change) | Financial reporting for quarter ended
June 30, 2012 : By August 15, 2012
September 30, 2012 : By November 15, 2012
December 31, 2012 : By February 15, 2013
March 31, 2013 : By May 15, 2013
and audited 30 th May, 2013

Annual General Meeting for year ended
March 31, 2013 – By September 30, 2013. |
| (iii) | Dates of book closures | 24 th September 2012 to 29 th September 2012
(both days inclusive) |
| (iv) | Registered Office | 209-210, Arcadia Building, 2 nd Floor, Plot No.195,
Nariman Point, Mumbai - 400021
Tel. No.: 022 – 6670 8600
Fax No.: 022 – 66708650 |
| (v) | Listing on stock exchanges | The Equity Shares of the Company are listed on:-
- Bombay Stock Exchange Limited
- The Calcutta Stock Exchange Ltd
- Annual Listing Fees as prescribed has been paid to
the said Stock Exchanges for the year 2012 – 2013. |

ARONI COMMERCIALS LIMITED

- (vi) Stock Exchange Code 512273 (Bombay Stock Exchange Limited)
11105 (The Calcutta Stock Exchange Limited)

(vii) Disclosures regarding appointment or re-appointment of Directors

Pursuant to the provisions of Sections 255 & 256 of the Companies Act, 1956, Mr V. V. Sureshkumar shall retire by rotation at the forthcoming Annual General Meeting.

Mr. Ritesh Zaveri who was appointed as an Additonal Director of the Company w.e.f 29th May, 2012 pursuant to the provision of Section 260 of the Companies Act, 1956, shall hold office upto the date of the ensuing Annual General Meeting.

The Board has recommended their appointment/re-appointment of the said Directors to the shareholders. The detailed resume of the aforesaid directors are provided in the notice of the Annual General Meeting.

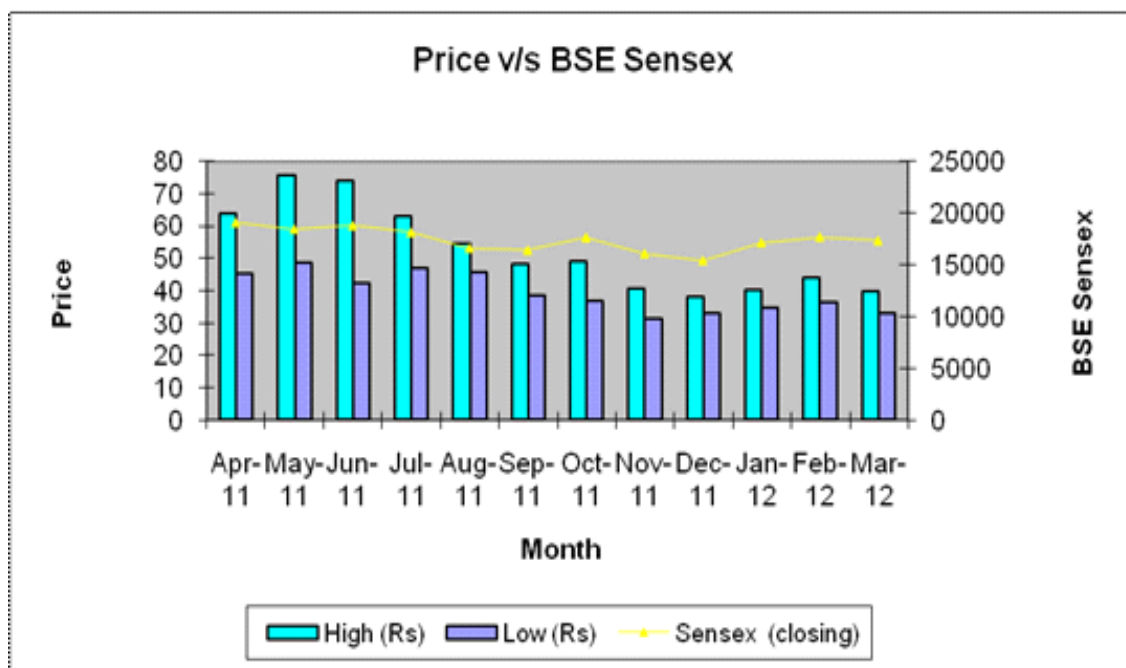
(viii) Stock Market price data

Monthly high and low at the Bombay Stock Exchange Limited for financial year ended 31st March, 2012:

Month	High Rs.	Low Rs.	BSE Sensex (Closing)
April, 2011	64.00	45.50	19135.96
May	75.90	48.55	18503.28
June	73.90	42.30	18845.87
July	63.00	47.05	18197.20
August	54.40	45.55	16676.75
September	48.40	38.45	16453.76
October	49.20	36.70	17705.01
November	40.60	31.40	16123.46
December	38.00	32.95	15454.92
January, 2012	40.30	34.55	17193.55
February	43.85	36.30	17752.68
March	39.90	33.00	17404.20

ARONI COMMERCIALS LIMITED

(ix) Performance in comparison to BSE Sensex :



(x) Registrar and Share Transfer Agents:

Link Intime India Private Limited

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

Tel No: (022) 2596 3838

Fax No: (022) 2594 6969

Email-id: mumbai@linkintime.co.in

(xi) Share Transfer System:

Transfer in physical forms are generally registered by Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited within a period of 30 days of receipt of documents complete in all respect. Invalid share transfers are returned within a period of 15 days from the date of receipt.

ARONI COMMERCIALS LIMITED

The Share Transfer Committee of the Company meets as often as required.

(xii) Distribution of Shareholding as on March 31, 2012:

No. of Equity Shares held	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
1 - 5000	985	89.22	123831	3.00
5001 - 10000	59	5.34	46289	1.12
10001 - 20000	34	3.08	49019	1.19
20001 - 30000	7	0.63	16907	0.41
30001 - 40000	2	0.18	6760	0.16
40001 - 50000	1	0.09	5000	0.12
50001 - 100000	3	0.27	22564	0.56
100001 & above	13	1.18	3854630	93.44
Total	1104	100.00	41,25,000	100.00

(xiii) Categories of Shareholding as on March 31, 2012:

Category	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
PROMOTERS HOLDING				
Indian Promoters	20	1.81	34,77,303	84.30
Foreign Promoters	1	0.09	1,98,000	4.80
Total of promoter holding	21	1.90	36,75,303	89.10
NON-PROMOTER HOLDING				
Institutional Investors				
FIs	0	0.00	0	0.00
Others				
Corporate Bodies	38	3.44	160599	3.89
Indian Public	1026	92.94	2,74,685	6.66
NRIs / OCBs	7	0.63	892	0.02
Clearing Member	12	1.09	13521	0.33
Total of non-promoter holding	1083	98.10	4,49,697	10.90
Grand Total	1104	100.00	41,25,000	100.00

ARONI COMMERCIALS LIMITED

(xiv) Dematerialisation of shares and liquidity

The Company has established connectivity with Central Depository Services (India) Limited and National Securities Depository Limited for dematerialisation of shares and the same are available in electronic segment under ISIN No. INE484B01016. As on 31st March 2012, 39,82,716 Equity Shares representing 96.55% had been dematerialized.

(xv) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.

There are no GDR/ADR/Warrant or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

(xvi) Plant location :

The Company does not have any plant.

(xvii) Address for Correspondence: **Registrar & Share Transfer Agent**
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai-400078.
Tel No: (022) 2596 3838
Fax No: (022) 2594 6969
Email-id: mumbai@linkintime.co.in

Ms. Avani Jani
Company Secretary
Aroni Commercials Limited
209-210 Arcadia Building, 2nd floor,
195, Nariman Point, Mumbai- 400021.
Phone: (022) 6670 8600
Email: avani@gcvl.in
aroni.investor@gcvl.in

ARONI COMMERCIALS LIMITED

PRACTICING COMPANY SECRETARIES CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Aroni Commercials Limited.

We have examined the compliance of conditions of Corporate Governance by Aroni Commercials Limited (the Company) for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As per the records of the Company, there were no investor grievances remaining unattended for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
Nishant Jawaša & Associates
Company Secretaries

Sd/-
Nishant Jawaša
Proprietor
(FCS No. 6557)

Place : Mumbai
Date : 13th August, 2012

ARONI COMMERCIALS LIMITED

CODE OF CONDUCT DECLARATION

Pursuant to Clause 49 I (D) of the Listing Agreement entered into with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliances with the Code of Conduct for the current year.

Place: Mumbai
Date :13th August 2012

V. V. Sureshkumar
Chairman

CFO CERTIFICATION

To
The Board of Directors
Aroni Commercials Limited
Mumbai

I, Anoop Chaturvedi, Chief Finance Officer of Aroni Commercials Limited hereby certify that

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2012 and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Mumbai
Date: 13th August, 2012

Anoop Chaturvedi
Chief Financial Officer

ARONI COMMERCIALS LIMITED

AUDITOR'S REPORT

To :
The Members of
ARONI COMMERCIALS LIMITED,
Mumbai.

We have audited the attached Balance Sheet of **ARONI COMMERCIALS LIMITED ("The Company")** as at 31st March 2012, Profit & Loss Account for the year ended on that date annexed thereto and cash flow statement for the year ended on that date (hereinafter collectively referred as "financial statements"). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, ("The Act") we enclose in the Annexure a statement on the matters, specified in Paragraphs 4 and 5 of the said order.
3. Further to our comments, we report that:
 - a) We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c) The Balance sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet and Profit and Loss Account comply with the requirements of the accounting standards referred to in sub-section (3C) of Section 211 of the Act.

ARONI COMMERCIALS LIMITED

- e) on the basis of written representations received from the director's of the company as at 31st March, 2012 and taken on record by the Board of Director's, we report that no director is disqualified from being appointed as director of the company under clause (g) of sub-section (1) of section 274 of the Act.
- f) in our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
- (ii) In the case of the Profit & Loss Account, of the profit for the year ended on that date.
- (iii) In the case of cash flow statement, of the cash flows for the year ended on that date.

FOR **LALIT MEHTA ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration No. 105568W

KALPESH RANKA
PARTNER
MEMBERSHIP NO.: 113906

PLACE : MUMBAI
DATED : MAY 29, 2012

ARONI COMMERCIALS LIMITED

ANNEXURE TO THE AUDITOR'S REPORT *

(*Referred to in paragraph 2 of our Report of even date on the accounts of Aroni Commercials Limited for the year ended 31st March, 2012)

1. (a) The company has made available the fixed asset register showing full particulars including quantitative details and situation of fixed asset.
- (b) All the fixed assets have been physically verified by the management during the year at reasonable intervals, which in our opinion is quite reasonable. There was no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of fixed assets.
2. (a) Physical verification has been conducted by the management at reasonable intervals in respect of shares and securities.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of shares and securities followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper record of shares and securities. No material discrepancies were noticed on verification between the physical stocks and book records.
3. The company has neither granted nor taken unsecured loan to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, hence clause 3(a) to (g) are not applicable.
4. In our, opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control in respect of these areas.
5. (a) According to the information and explanations given to us, transactions that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of the contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable prices having regard to prevailing market prices at the relevant time.
6. The company has not accepted any deposit from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.

ARONI COMMERCIALS LIMITED

7. In our opinion the company has adequate internal audit system commensurate with its size and nature of its business.
8. The company is not required to maintain cost records as per provisions of section 209(1) (d) of the Companies Act, 1956.
9. (a) As explained to us, the statutory dues payable by the Company comprises mainly of income-tax, sales tax, wealth tax and excise duty. According to the records of the Company and information and explanations given to us, the Company has been regularly depositing the aforesaid undisputed statutory dues with the appropriate authorities. There are no undisputed statutory dues as referred to above as of March, 2012 outstanding for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and records of the Company, the following are the particulars of disputed dues on account of income tax, excise duty, custom duty and sales tax matters that have not been deposited by the Company as at 31st March, 2012:-

Sr No.	Name of the Statute	Nature of the Due	Amount Rs	Period to which the amount relates	Forum where the dispute is pending	Amount Paid under Protest / Refund Adjusted	Remark
1	Madhya Pradesh Sales Tax Act	Sales Tax Liabilities due to rejection of "C" Forms & Pending "C" Forms	80,22,602	Assessment Year 1996-97	The Deputy Commissioner of Commercial Tax has Redirected case to Assessing Officer for Reassessment		No Change in Status during the year.

10. The company does not have accumulated loss at the end of financial year and has not incurred cash losses in the financial year covered by our audit and in the immediate preceding financial year.
11. According to the records of Company examined by us and on the basis of information & explanations given to us, the Company has not defaulted in the repayment of dues to financial institutes, banks, Debenture holder during the year.
12. According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

ARONI COMMERCIALS LIMITED

13. In our opinion, the company is no a chit fund or a nidhi / mutual benefit fund/ society. Therefore provisions of clause 4(xi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. Based on our examination of the records and evaluations of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts relating to shares, securities and other investments dealt in by the Company and timely entries have been made in the records. We also report that the Company has held the shares, securities and other investments in its own name.
15. According to the information and explanations and given to us, the Company has not given any guarantee for loan taken by others from bank or financial institutions. Therefore provisions of clause 4 (xv) of Companies (Auditor's Report) Order, 2003 are not applicable to the company.
16. During the year company has not taken any new Term Loan & Term Loan taken by company in previous years has been utilized for the purpose for which it is obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that no fund raised on short-term basis has been used for long term investment.
18. The company has not issued any preferential allotment of shares during the year. Therefore, provisions of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
19. The company has not issued any debentures. Therefore, provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
20. The company has not raised any money by way of public issue during the year. Therefore, provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

FOR LALIT MEHTA ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Registration No. 105568W)

PLACE : MUMBAI
DATED : MAY 29, 2012

KALPESH RANKA
PARTNER
MEMBERSHIP NO.: 113906

ARONI COMMERCIALS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
A EQUITY AND LIABILITIES			
I Shareholders' funds			
(a) Share capital	3	41250000	41250000
(b) Reserves and surplus	4	560960730	555027682
		602210730	596277682
II Non-current liabilities			
(a) Long-term borrowings	5	-	1555597
		-	1555597
III Current liabilities			
(a) Other current liabilities	6	2199740	1690336
		2199740	1690336
TOTAL		604410470	599523616
B ASSETS			
I Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	2534155	3324410
(b) Non-current investments	8	558676754	434190065
(c) Deferred tax assets (net)	20.11	9067832	9413656
(d) Long-term loans and advances	9	19374768	15250219
		589653509	462178350
II Current assets			
(a) Current investments	10	-	125000000
(b) Trade receivables	11	555029	-
(c) Cash and Bank Balance	12	683339	772563
(d) Short-term loans and advances	13	12097804	11571608
(e) Other current assets	14	1420788	1096
		14756961	137345267
TOTAL		604410470	599523616
Significant Accounting Policies	1 & 2		
Notes forming an integral part of the Financial Statements	3 to 20		

In Terms of our report attached

For **LALIT MEHTA ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 105568W

For and on behalf of the Board of Directors

Anilkumar Rajan
Director

V. V. Sureshkumar
Director

KALPESH RANKA
PARTNER
MEMBERSHIP NO.: 113906

Avani Jani
Company Secretary

PLACE : MUMBAI
DATED : MAY 29, 2012

ARONI COMMERCIALS LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
I Revenue from operations	15	2927571	17926367
II Other income	16	5057896	9572557
III Total revenue (I+II)		7985467	27498924
IV Expenses			
(a) Employee benefits expense	17	2373278	1333614
(b) Finance costs	18	249611	566802
(c) Depreciation and amortisation expense	7	860364	1138676
(d) Other expenses	19	2334168	7593598
Total expenses		5817421	10632690
V Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)		2168046	16866234
VI Exceptional items		-	-
VII Profit / (Loss) before extraordinary items and tax (V ± VI)		2168046	16866234
VIII Extraordinary items		-	-
IX Profit / (Loss) before tax (VII ± VIII)		2168046	16866234
X Tax expense:			
(a) Current tax expense for current year		(3223638)	(1765000)
(b) (Less): MAT credit		7334463	-
(c) Current tax expense relating to prior years		-	(154357)
(d) Net current tax expense		4110825	(1919357)
(e) Deferred tax	20.11	345824	9018001
		3765001	7098644
XI Profit / (Loss) from continuing operations (IX ± X)		5933047	23964878
XII Earnings per share (of Rs 10/- each):			
(a) Basic & Diluted	20.9	1.44	5.81
Significant Accounting Policies	1 & 2		
Notes forming an integral part of the Financial Statements	3 to 20		

In Terms of our report attached

For **LALIT MEHTA ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 105568W

For and on behalf of the Board of Directors

Anilkumar Rajan
Director

V. V. Sureshkumar
Director

KALPESH RANKA
PARTNER
MEMBERSHIP NO.: 113906

Avani Jani
Company Secretary

PLACE : MUMBAI

DATED : MAY 29, 2012

ARONI COMMERCIALS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	For the year ended		For the year ended	
	31/3/2012	31/3/2012	31/3/2011	31/3/2011
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		2168046		16866234
<i>Adjustments for:</i>				
Depreciation and amortisation	860364		1138676	
Finance costs	249611		566802	
Interest income	(6194159)		(17956)	
Dividend income	(4793902)		(9572557)	
Net (gain) / loss on sale of investments	3315749		(17908411)	
		(6562338)		(25793446)
Operating profit / (loss) before working capital changes		(4394292)		(8927212)
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade receivables	(555029)		-	
Short-term loans and advances	(44150)		2740269	
Long-term loans and advances	(13724)		(5035094)	
Other current assets	(1419692)		155861	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Other current liabilities	509403		179519	
Other long-term liabilities	(1555597)	(3078789)	(1536919)	(3496364)
		(7473081)		(12423576)
Cash flow from extraordinary items		-		-
Cash generated from operations		(7473081)		(12423576)
Net income tax (paid) / refunds		(482046)		(5310025)
Net cash flow from / (used in) operating activities (A)		(7955127)		(17733601)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(70109)			-
Purchase of long-term investments - Others	(439228309)		(895764885)	
Proceeds from sale of long-term investments (Others)	436425870		904625606	
Interest received				
- Associates	-		16860	
- Others	6194159		1096	
Dividend received				
- Associates	3526379		3526379	
- Others	1267524		6046179	
Cash flow from extraordinary items		8115514		18451234
Net cash flow from / (used in) investing activities (B)		8115514		18451234
C. Cash flow from financing activities				
Finance cost	(249611)		(566802)	
Cash flow from extraordinary items		(249611)		(566802)
Net cash flow from / (used in) financing activities (C)		(249611)		(566802)

ARONI COMMERCIALS LIMITED

Particulars	For the year ended		For the year ended	
	3/31/2012	3/31/2012	3/31/2011	3/31/2011
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(89224)		150832
Cash and cash equivalents at the beginning of the year		772563		621730
Cash and cash equivalents at the end of the year		683339		772562
Cash and cash equivalents at the end of the year *				
* Comprises:				
(a) Cash on hand		54170		22089
(b) Balances with banks				
(i) In current accounts		253555		374860
(ii) In deposit accounts with original maturity of less than 3 months		375614		375614
		683339		772563

See accompanying notes forming part of the financial statements

In terms of our report attached.
for LALIT MEHTA ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors

KALPESH RANKA
Partner
Membership No. 113906

Anilkumar Rajan
Director

V. V. Sureshkumar
Director

Avani Jani
Company Secretary

Place : Mumbai
Date : May 29, 2012

ARONI COMMERCIALS LIMITED

Notes forming part of the financial statements

Note	Particulars
1	<p>Corporate information</p> <p>Company is engaged in the business of Investments. During the year has registered with Securities and Exchange Board of India (SEBI) as BSE Sub Broker of M/s Shriyam Broking Intermediary Ltd.</p>
2	<p>Significant accounting policies</p>
2.1	<p>Basis of accounting and preparation of financial statements</p> <p>These accounts are prepared on historical cost basis and on accounting principles of the going concern. Accounting policies not specifically referred to otherwise, are consistent and in consonance with Generally accepted accounting principles (GAAP) comprising of mandatory Accounting Standards, Guidance notes, etc. issued by ICAI. The Company follows mercantile system of accounting recognising income and expenses on accrual basis.</p>
2.2	<p>Use of estimates</p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
2.3	<p>Cash and cash equivalents</p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
2.4	<p>Cash flow statement</p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
2.5	<p>Depreciation</p> <p>Depreciation on fixed assets has been provided on Written Down Value Method as provided in Section 205 (2) (b) of the Companies Act, 1956 read with Schedule XIV of the Act on pro-rata basis.</p>

ARONI COMMERCIALS LIMITED

Note	Particulars
2.6	<p>Revenue recognition Terms of income and expenditure are recognized on accrual basis</p>
2.7	<p>Other income Interest income is accounted on accrual basis. Dividend income is accounted on receipt basis</p>
2.8	<p>Tangible fixed assets Fixed Assets are stated at cost less accumulated depreciation.</p>
2.9	<p>Investments Long Term Investments are stated at Cost. The Company has not provided for decrease in value of investment as in the opinion of the management decrease in value is not permanent in nature as per guidelines of Accounting Standard 13 – “Accounting for Investment”.</p>
2.10	<p>Segment Reporting As the company’s business activity falls within single segment viz. Investment the disclosure requirements of Accounting Standard 17 “Segment Reporting” issued by Institute of Chartered Accountants of India is not applicable.</p>
2.11	<p>Taxes on income Current tax is determined as the amount of tax payable to the taxation authorities in respect of taxable income for the period. Deferred tax is recognised, subject to the consideration of prudence, on timing difference being differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is a virtual certainty that sufficient taxable profits will be available against which such deferred assets can be realised.</p>
2.12	<p>Provisions and contingencies These are disclosed by way of notes on the Balance sheet. Provision is made in the accounts in respect of those contingencies which are likely to materialise into liabilities after the year end, till the finalisation of accounts and have material effect on the position stated in the Balance sheet.</p>
2.13	<p>Earnings per share Basic and Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.</p>

ARONI COMMERCIALS LIMITED

Note 3 - Shareholder's Funds - Share Capital

Share Capital	As at 31 March 2012		As at 31 March 2011	
	Number	Rs.	Number	Rs.
Authorised Equity Shares of Rs. 10 each	7500000	75000000	7500000	75000000
Issued, Subscribed & Paid up Equity Shares of Rs. 10 each [of the above 2719000 Equity shares were issued as fully paid up bonus shares by way of capitalisation of share premium and reserves]	4125000	41250000	4125000	41250000
Total	4125000	41250000	4125000	41250000

Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of Rs.10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount.

Disclosure for each class of Shares

Particulars	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	4125000	41250000	4125000	41250000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4125000	41250000	4125000	41250000

More than 5% Shareholding

Name of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Winro Commercial (India) Ltd	653525	15.84%	653525	15.84%
Four Dimensions Securities (India) Limited	1818625	44.09%	1818625	44.09%
Saraswati Commercial (India) Ltd	609900	14.79%	609900	14.79%
Ashwin Pannalal Kothari	313053	7.59%	313053	7.59%

ARONI COMMERCIALS LIMITED

Note 4 Reserves and surplus

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
(a) Securities premium account		
Opening balance	4540000	4540000
Add : Premium on shares issued during the year	-	-
Closing balance	4540000	4540000
(b) General reserve		
Opening balance	177575670	177575670
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	177575670	177575670
(c) Surplus in Statement of Profit and Loss		
Opening balance	372912012	348947134
Add: Profit for the year	5933047	23964878
Closing balance	378845059	372912012
Total	560960729	555027682

Note 5 Long-term borrowings

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
(a) Term loans		
From ICICI Bank		
Secured against Hypothecation of Car	-	1555597
Total	-	1555597

ARONI COMMERCIALS LIMITED

Particulars					
Notes:					
Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:					
Particulars	Terms of repayment and security*	As at 31 March, 2012		As at 31 March, 2011	
		Secured	Unsecured	Secured	Unsecured
		Rs.	Rs.	Rs.	Rs.
Term loans from banks:					
ICICI Bank Ltd.	Term Loan payable on monthly installment of Rs. 148875/- Secured against hypothecation of car	-	-	1555597	-
Total - Term loans from banks		-	-	1555597	-

Note 6 Other current liabilities

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
(a) Current maturities of long-term debt (Refer Note (i) below)	1555597	1536919
(j) Other payables		
(i) TDS Payable	60939	12184
(ii) Outstanding Liabilities	583204	141233
Total	2199740	1690336

Note (i): Current maturities of long-term debt

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
(a) Term loans		
From ICICI banks	1555597	1536919
Secured against Hypothecation of Car		
Total	1555597	1536919

ARONI COMMERCIALS LIMITED

Note 7 - Non Current Assets - Fixed Assets

Fixed Assets	Gross Block		Accumulated Depreciation			Net Block	
	Balance as at 1 April 2011	Additions	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation for the year	Balance as at 31 March 2012	Balance as at 31 March 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets							
Land	58870	-	58870	-	-	58870	58870
Motor Car	8318588	63009	8381597	5064375	858623	2458599	3254213
Office Equipment	28090	-	28090	24638	480	2972	3452
Telephone	22000	7100	29100	16338	953	11809	5662
Other Equipments	33266	-	33266	31053	308	1905	2213
Total	8460814	70109	8530923	5136404	860364	2534155	3324410
Previous year	8460814	-	8460814	3997728	1138676	3324410	

ARONI COMMERCIALS LIMITED

Notes forming part of the financial statements Note 8 Non-current investments

Particulars	Face Value in Rs.	As at 31 March, 2012				As at 31 March, 2011			
		No of Shares	Quoted	Unquoted	Total	No of Shares	Quoted	Unquoted	Total
		Units	Rs.	Rs.	Rs.	Units	Rs.	Rs.	Rs.
Investments (At cost):									
A TRADE									
(a) Investment in equity instruments									
(i) of associates									
-Geecee Business Pvt Ltd	10/-	3108	-	6848650	6848650	3108	-	6848650	6848650
-Arkaya Commercials Pvt. Ltd.	10/-	11200	-	112000	112000	11200	-	112000	112000
-Four Dimensions Capital Markets Pvt. Ltd	10/-	2400000	-	24000000	24000000	2400000	-	24000000	24000000
-Four Dimensions Securities (I) Ltd	10/-	12495	-	206168	206168	12495	-	206168	206168
-Geecee Investments Ltd	10/-	35000	-	59800	59800	35000	-	59800	59800
-Geecee Ventures Limited	10/-	2350919	220581377	220581377	220581377	2350919	220581377	-	220581377
-Mahotsav Trading & Finance Ltd	10/-	20000	-	200000	200000	20000	-	200000	200000
-Rakhee Dyechem Pvt Ltd	10/-	-	-	-	-	5850	-	58500	58500
-Sareshwar Trading & Finance Ltd	10/-	20000	-	200000	200000	20000	-	200000	200000
-Windsor Trading & Finance Pvt. Ltd.	10/-	13500	-	135000	135000	13500	-	135000	135000
		-	220581377	31761618	252342995		220581377	31820118	252401495
(b) Investment in preference shares									
[Non cumulative Redeemable Partly paid up]									
(i) of associates									
- 10% Arkaya Commercial Pvt. Ltd.	100	250	-	6250	6250	250	-	6250	6250
(Rs. 25/- partly paid up)									
Total - Trade (A)									
		-	-	6250	6250	-	-	6250	6250
			220581377	31767868	252349245		220581377	31826368	252407745

ARONI COMMERCIALS LIMITED

Notes forming part of the financial statements

Particulars	Face Value in Rs.	As at 31 March, 2012				As at 31 March, 2011						
		No of Shares		Total		No of Shares		Total				
		Units	Rs.	Rs.	Rs.	Units	Rs.	Rs.	Rs.			
B. Other investments												
(ii) of other entities												
-Anant Raj Industries Limited	2/-	100000	8177969	-	8177969	75666	6856875	-	6856875			6856875
-Asian Granito India Limited	10/-	-	-	-	-	169706	5206115	-	5206115			5206115
-City Union Bank Ltd	1/-	50000	2247397	-	2247397	-	-	-	-			-
-Century Textile & Industries Ltd	10/-	-	-	-	-	25283	10421383	-	10421383			10421383
-Development Credit Bank Ltd.	10/-	1	26	-	26	1	26	-	26			26
-Genus Power Infrastructures Limited	1/-	40000	22400000	-	22400000	700000	39200000	-	39200000			39200000
-Jindire Capital Services Limited	10/-	-	-	-	-	116000	1809490	-	1809490			1809490
-Mold-Tek Technologies Ltd	10/-	-	-	-	-	17043	1643286	-	1643286			1643286
-MCX Ltd	10/-	538	555216	-	555216	-	-	-	-			-
-NHPC Ltd	10/-	89498	3221928	-	3221928	89498	3221928	-	3221928			3221928
-Patel Integrated Logistics Ltd	10/-	-	-	-	-	288370	7566265	-	7566265			7566265
-Pokarna Ltd	10/-	-	-	-	-	43120	2123332	-	2123332			2123332
-Shree Ganesh Forgings Ltd	10/-	1	30	-	30	1	30	-	30			30
-SICAL Logistics Ltd.	10/-	1	28	-	28	1	28	-	28			28
-SICAGEN India Ltd	10/-	1	-	-	-	1	-	-	-			-
-Siemens Ltd.	2/-	10	1130	-	1130	10	1130	-	1130			1130
-SPL Industries Ltd	10/-	107997	3506963	-	3506963	107997	3506963	-	3506963			3506963
-Usha Martin Ltd	1/-	250000	8402758	-	8402758	-	-	-	-			-
-United Phosphorous Ltd.	2/-	2	108	-	108	2	108	-	108			108
-United Spirits Ltd	10/-	1	69	-	69	1	69	-	69			69
			48513621	-	48513621		81557028	-	81557028			81557028
(b) Investment in debentures or bonds	1000/-	8000	7757499	-	7757499	-	-	-	-			-
-12.2% Manipuram Finance Limited Secured Redeemable NCD	1000/-	14304	13351805	-	13351805	-	-	-	-			-
-12.25% Muthoot Finance Limited Secured NCD	10 Lacs	48	50424918	-	50424918	-	-	-	-			-
-10.75% Reliance Capital Limited NCD	10 Lacs	68	72284000	-	72284000	-	-	-	-			-
-11.8% TISCO Perpetual Bonds												
		22420	143818223	-	143818223		-	-	-			-
(c) Investment in Venture Capital Funds												
(i) of other entities	920 (940) 91500 (100000)											
-Xshijj Venture Capital Fund		1000	-	9200000	9200000	1000	-	9400000	9400000			9400000
-Urban Infrastructure Opportunities Fund		540	-	50210000	50210000	540	-	54800000	54800000			54800000
(d) Investment in mutual funds												
- Kotak Liquid (Institutional Premium) Growth		-	-	59410000	59410000	-	-	64200000	64200000			64200000
- Kotak Floater Short Term Growth		3124041.788	-	54585665	54585665	1814367.944	-	36025292	36025292			36025292
Total - Other investments (B)			192331844	113995665	306327509		81557028	10025292	181782320			181782320
Total (A+B)			412913221	145763533	558676754		302138405	132051659	434190065			434190065
Aggregate amount of quoted investments			412913221		302138405							302138405
Aggregate market value of listed and quoted investments			272792622	145763533	145530486							145530486
Aggregate amount of unquoted investments												132051659

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Note 9 Long-term loans and advances

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
(a) Security deposits Unsecured, considered good	10106219	10105219
(b) Loans and advances to employees Unsecured, considered good	151500	145000
(c) Prepaid expenses - Unsecured, considered good	6224	-
(d) MAT credit entitlement - Unsecured, considered good	4110825	-
(e) Other loans and advances Unsecured, considered good Advance for purchase of flat	5000000	5000000
Total	19374768	15250219

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Notes forming part of the financial statements Note 10 Current investments

Particulars	As at 31 March, 2012			As at 31 March, 2011			
	Quoted	Unquoted	Total	No of Units	Quoted	Unquoted	Total
	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.
A. Current portion of long-term investments (At cost)	-	-	-		-	-	-
Total -Current portion of long-term investments (A)	-	-	-		-	-	-
B. Other current investments							
(At cost)							
(a) Investment in mutual funds							
- Kotak Quarterly Interval Plan Series 3- Growth	-	-	-	4000480.056	-	50000000	50000000
- Kotak Quarterly Interval Plan Series 1- Growth	-	-	-	3878314.019	-	50000000	50000000
- Kotak Quarterly Interval Plan Series 2- Growth	-	-	-	1943120.963	-	25000000	25000000
Total - Other current investments (B)	-	-	-		-	125000000	125000000
Total - Current investments (A+B)	-	-	-		-	125000000	125000000
Aggregate amount of quoted investments	-	-	-		-	-	-
Aggregate market value of listed and quoted investments	-	-	-		-	-	-
Aggregate value of listed but not quoted investments	-	-	-		-	-	-
Aggregate amount of unquoted investments	-	-	-		-	125000000	125000000

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Note 11 Trade Receivables

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
Other Trade receivables Secured, considered good	555029	-
Total	555029	-

Note :

Due from related party Rs. 555029/-

Note 12 Cash and Bank Balance

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
- Cash & Cash Equivalent		
(a) Cash on hand	54170	22089
(b) Balances with banks		
(i) In current accounts	253555	374860
- Other Bank Balance		
(i) In Fixed Deposits		
-In deposit accounts (Refer Note (i) below)	375614	375614
Total	683339	772563
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is	307725	396949

Notes:

- (i) Fixed deposits with bank of Rs. 3,75,614/- includes fixed deposit of Rs.3,08,871/-in the name of District and Cession Judge, Ujjain deposited as guarantee money, and balance amount is subject to reconciliation and adjustment on confirmation from bank. No income on said deposit is accounted.

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Note 13 Short-term loans and advances

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
(a) Loans and advances to employees Unsecured, considered good	226000	155500
(b) Prepaid expenses - Unsecured, considered good	74680	101030
(c) Advance Fringe Benefit Tax - Unsecured, considered good	11493	11493
(d) Advance income tax - Unsecured, considered good	11784631	11302585
(e) Others Unsecured, considered good Advance for expenses	1000	1000
Total	12097804	11571608

Note 14 Other current Assets

Particulars	As at 31/3/2012 Rs.	As at 31/3/2011 Rs.
(a) Accruals		
(i) Interest accrued on investments	1420788	-
(ii) Interest accrued on loan	-	1096
Total	1420788	1096

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Note 15 Revenue from operations

	Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
(i)	<u>Other operating revenues</u>		
	(a) Interest income (Refer Note (i) below)	6194159	17956
	(b) Profit on Sale of Investments	(3266589)	17908411
	Total - Other operating revenues	2927571	17926367

Note	Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
(i)	Interest income comprises:		
	Interest from banks on: deposits	180516	16860
	Interest on loans and advances	-	1096
	Interest income from long term investments	6013644	-
	Total - Interest income	6194159	17956

Note 16 Other Income

	Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
(a)	Interest income (Refer Note (i) below)	263994	-
(b)	Dividend income: from long-term investments associates	3526379	3526379
	others	1267524	6046179
	Total	5057896	9572557

Note	Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
(i)	Interest income comprises: Interest on income tax refund	263994	-
	Total - Interest income	263994	-

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Note 17 Employee benefits Expense

Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
Salaries and wages	2346733	1308472
Staff welfare expenses	26545	25142
Total	2373278	1333614

Note 18 Finance Costs

Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
(a) Interest expense on:		
- Interest on income tax	-	166119
- Interest on late payment of TDS	30	-
- Interest on Car Loan	249581	400683
Total	249611	566802

Note 19 Other Expenses

Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
Repairs and maintenance - Others	2353	-
Insurance	107072	133372
Rates and taxes	207987	124381
Legal and professional	1109307	1150062
Membership & Subscription	92960	5526985
Motor Car Expenses	463415	132979
Payments to auditors (Refer Note (i) below)	59000	52500
Miscellaneous & Other expenses	292074	473319
Total	2334168	7593598

Notes

Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
-As auditors - statutory audit	50000	40000
-For other services	9000	12500
Total	59000	52500

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Note 20 Additional information to the financial statements

Note	Particulars												
20.1	<p>Contingent liabilities and commitments (to the extent not provided for)</p> <p>Contingent liabilities</p> <p>(i) Contingent liabilities not provided for uncalled liability on</p> <p>a) Partly paid up preference shares Rs.18,750/-.</p> <p>(ii) As per Policy & Notification issued by MP State Government, the company had availed sales tax exemption in respect of wind mills till 15.03.1999 amounting to Rs.988.25 lacs in compare to Rs.350.51 lacs as per eligibility certificates issued by Madhya Pradesh Uraja Vikas Nigam. Against Eligibility Certificate company had filed writ petition in High Court of Indore and matter was decided in favour of Company. However Madhya Pradesh Uraja Vikas Nigam has filed second appeal before the Divisional bench of Hon'ble High Court of Indore, which is still pending.</p> <p>(iii) Demand of Rs.80,22,602/- is pending under Madhya Pradesh Sales Tax Act against which appeals had been filed with Deputy Commissioner of Commercial Tax. The Deputy Commissioner of Commercial Tax has redirected case to assessing officer for reassessment.</p> <p>(iv) During F.Y. 2004-05, Company has kept Rs.100.70 Lacs in Escrow account with Calyon Bank, Nariman Point Branch for any demands of stamp duty, penalties and liabilities that may arise on the scheme of arrangement as approved by the High Court of Judicature at Mumbai in terms of which company has transferred its Aluminium Chloride undertaking and wind mill undertaking to Nagda Orgo Chem Private Limited under section 391 to section 394 of the companies Act, 1956. The matter is pending before the High court –Indore.</p> <p>(v) NEPC India Limited had instituted a suit against the company in the court of II FAST TRACK JUDGE Madras for deferment of payment to the NEPC India Limited the sum of Rs. 20,47,156/- together with interest at 24% p.a on Rs. 10,53,450/-.. Vide order dated 13/02/2012, court has given decision in favour of NEPC India limited. In the result the suit is decreed in favour of NEPC India Limited for Rs. 10,53,450/- with interest at the rate of 12% p.a. from August 98 till realisation with costs. The Company is planning to file an appeal with High court of Madras against the said order.</p> <p>(vi) As per Income Tax Department following tax demand is outstanding against the company and it has not been provided in the accounts.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Assessment Year</th> <th style="text-align: center;">Short Provision(Rs)</th> <th style="text-align: center;">Amount Paid under protest/ Refund adjusted (Rs.)</th> <th style="text-align: center;">Status of Appeal</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2006-07</td> <td style="text-align: center;">447740/-</td> <td style="text-align: center;">1609170</td> <td style="text-align: center;">Order Giving Effect to ITAT order pending</td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Assessment Year	Short Provision(Rs)	Amount Paid under protest/ Refund adjusted (Rs.)	Status of Appeal	2006-07	447740/-	1609170	Order Giving Effect to ITAT order pending				
Assessment Year	Short Provision(Rs)	Amount Paid under protest/ Refund adjusted (Rs.)	Status of Appeal										
2006-07	447740/-	1609170	Order Giving Effect to ITAT order pending										

ARONI COMMERCIALS LIMITED

		For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		Rs.	Rs.
20.2	Expenditure in foreign currency Earnings in foreign exchange	NIL NIL	NIL NIL
20.3	Trades Receivable, Trades payable and loans & Advances are subject to confirmation/ reconciliation.		
20.4	In the opinion of Board, the current assets loans and advances have value on realisation in the ordinary course of business at least equal to the amounts at which they are stated otherwise, the provisions for depreciation and all known liabilities are adequate and not in excess of amount required.		
20.5	Fixed deposits with bank of Rs. 3,75,614/- includes fixed deposit of Rs.3,08,871/-in the name of District and Cession Judge, Ujjain deposited as guarantee money, and balance amount is subject to reconciliation and adjustment on confirmation from bank. No income on said deposit is accounted.		
20.6	Company has valued its Long term Investment at cost & has not considered decrease in the market value of Investment as in the opinion of management decrease in market value is not permanent & hence as per guidelines of Accounting Standard 13 – “Accounting for Investment” it has been valued at cost. Had it been valued at lower of cost or market value Profit for the year would have been lower by Rs. 14,06,45,003/-.		

Note 20 Disclosures under Accounting Standards (Contd.)

Note	Particulars	
20.7	Related party transactions	
20.8	Details of related parties:	
	Description of relationship	Names of related parties
	Associates	Arkaya Commercials Pvt. Ltd. Antique Stock Broking Ltd Four Dimensions Capital Markets Pvt. Ltd. Four Dimensions Securities (India) Ltd. Geecee Ventures Ltd Geecee Business Pvt Ltd Geecee Investments Ltd Mahotsav Trading & Finance Pvt. Ltd. Saraswati Commercial (India) Ltd Sareshwar Trading & Finance Pvt Ltd Windsor Trading and Finance Pvt. Ltd. Winro Commercial (India) Ltd
	Key Management Personnel (KMP)	Shri V. V. Sureshkumar Shri Anil Kumar Rajan Shri Bhagwati Prasad Kejariwal Shri Ashish P Mohta

Note: Related parties have been identified by the Management.

ARONI COMMERCIALS LIMITED

Details of related party transactions during the year ended 31 March, 2012 and balances outstanding as at 31 March, 2012:

20.9	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
	- (-)	- (-)	- (-)	- (-)	- (2437600)	- (-)	- (-)	- (-)	- (2437600)
	- (-)	- (-)	- (-)	- (-)	- (3200000)	- (-)	- (-)	- (-)	- (3200000)
	- (-)	- (-)	- (-)	- (-)	- (62409720)	- (-)	- (-)	- (-)	- (62409720)
	- (-)	- (-)	- (-)	- (-)	45027 (17111)	- (-)	- (-)	- (-)	45027.48 (17111)
	- (-)	- (-)	- (-)	- (-)	- (1096)	- (-)	- (-)	- (-)	- (1096)
	- (-)	- (-)	- (-)	- (-)	3526379 (3526379)	- (-)	- (-)	- (-)	3526378.5 (3526379)
	- (-)	- (-)	- (-)	- (-)	555029 (-)	- (-)	- (-)	- (-)	555029.4 (-)
	- (-)	- (-)	- (-)	- (-)	- (1096)	- (-)	- (-)	- (-)	- (1096)
	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
	- (-)	- (-)	- (-)	- (-)	252349245 (252349245)	- (-)	- (-)	- (-)	252349245 (252349245)
	Note: Figures in bracket relates to the previous year								

ARONI COMMERCIALS LIMITED

Note 20 Disclosures under Accounting Standards (Contd.)

Note	Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
20.10	Profit as per Profit and Loss Account (Rs. in lacs)	5933047	23964878
	Weighted average number of Equity Shares outstanding during the year (Nos.)	4125000	4125000
	Nominal Value of Equity Shares (Rs.)	10	10
	Basic & Diluted EPS before exceptional items (Rs.)	1.44	5.81
	Basic & Diluted EPS after exceptional items (Rs.)	1.44	5.81

Note 20 Disclosures under Accounting Standards (Contd.)

Note	Particulars	As at 31 March, 2012 Rs.	As at 31 March, 2011 Rs.
20.11	Deferred tax (liability) / asset on account of -Depreciation	501981	476337
	Add / (Less) : Deferred tax assets on account of :		
	-Short Term Loss	8565851	8565851
	-Long Term Loss	-	371469
	Net deferred tax (liability) / asset	9067832	9413657
<p>The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.</p>			

Note 20 Previous year's figures

Note	Particulars
20.12	The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached.
for LALIT MEHTA ASSOCIATES
Chartered Accountants
Firm Registration No. 105568W

KALPESH RANKA
Partner
Membership No. 113906

Place : Mumbai
Date : May 29, 2012

For and on behalf of the Board of Directors

Anilkumar Rajan
DIRECTOR

V. V. Sureshkumar
DIRECTOR

Avani Jani
COMPANY SECRETARY

ARONI COMMERCIALS LIMITED

Regd. Office: at 209-210, Arcadia Building, 2nd Floor,
195 Nariman Point, Mumbai - 400021

PROXY FORM

I / We _____

of _____

being a member/members of **ARONI COMMERCIALS LIMITED** hereby appoint Mr./Mrs./
Ms _____ of _____ or failing him/
her Mr /Mrs./Ms. _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on 29th day of September, 2012 at 29, Bank Street, 1st Floor, Fort, Mumbai – 400 001 at 5.00 P.M. and at any adjournment thereof.

Regd. Folio. No. _____ No. of Shares held _____

Client ID No. _____ DP ID No. _____

Signed this _____ day of _____ 2012

Affix
Re. 1.00
Revenue
Stamp

Note:

- 1) The Proxy Form should be signed across the stamp as per specimen signature recorded with the Company.
- 2) The Proxy form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

ARONI COMMERCIALS LIMITED

Regd. Office: at 209-210, Arcadia Building, 2nd Floor,
195 Nariman Point, Mumbai - 400021

ATTENDANCE SLIP

I/We hereby record my/our presence at the 27th Annual General Meeting of the Company held at 29, Bank Street, 1st Floor, Fort, Mumbai – 400 001 held 29th day of September, 2012 at **5.00 P.M.**

Name _____

Regd. Folio No. _____ No. of Shares held _____

Client ID No. _____ DP ID No. _____

Name of Proxy/Representative, if any _____

Signature of the Shareholder(s)/Proxy/Representative _____

Note: Member/Proxy attending the Meeting must fill-in this Attendance Slip and hand it over at the entrance of the venue of this Meeting.

BOOK POST

If undelivered, please Return to :
ARONI COMMERCIALS LIMITED
209-210, Arcadia, 2nd Floor, 195 Nariman Point,
Mumbai - 400 021.