

POLSON LTD

72nd
ANNUAL REPORT

2012-2013

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72nd ANNUAL REPORT & ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2013

DIRECTORS

JAGDISH J. KAPADIA	Chairman
AMOL J. KAPADIA	Managing Director
SUSHILA J. KAPADIA	Director
PRAVIN D. SAMANT	Director Technical
DHAU LAMBHORE	Director
PRADIP PAI	Additional Director wef 21 June 2013
SUDHIR NEVATIA	Additional Director wef 21 June 2013
NAKUL PATEL	Additional Director wef 21 June 2013

SOLICITORS
D. H. NANAVATI

AUDITORS
A.S.MADON & CO
Chartered Accountants

BANKERS
CITIBANK N.A
STAWDARD CHARTERED
HDFC BANK LTD.
BANK OF INDIA

REGISTERED OFFICE
AMBAGHAT, VISHALGAD,
TALUKA - SHAHUWADI ,
DIST - KOLHAPUR,
KOLHAPUR - 415 101.
MAHARASHTRA

POLSON LIMITED

NOTICE

NOTICE is hereby given that the 72nd Annual General Meeting of the members of Polson Limited will be held on 30th day of September, 2013 at Chitra Kuti at Ambaghat,Vishalgad, Taluka - Shahuwadi, Dist – Kolhapur, Kolhapur - 415 101 at 11.30 a.m. to transact the following businesses :

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2013, along with the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Amol Kapadia who retires by rotation and being eligible offers himself for re-appointment.

3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

   "RESOLVED THAT M/s. A. S. Madon & Co., Chartered Accountants, Mumbai be and are hereby re appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors."

Special Business:

4. **To Consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.**

   "RESOLVED THAT Mr. Pradip Pai who was co-opted by the Board as an Additional Director w.e.f. 21.06.2013 and who by virtue of section 260 of the Companies Act, 1956 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose period of office shall be liable to determination by retirement by rotation".

5. **To Consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.**

   "RESOLVED THAT Mr. Sudhir Nevatia who was co-opted by the Board as an Additional Director w.e.f. 21.06.2013 and who by virtue of section 260 of the Companies Act, 1956 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose period of office shall be liable to determination by retirement by rotation".

6. **To Consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.**

   "RESOLVED THAT Mr. Nakul Patel who was co-opted by the Board as an Additional Director w.e.f. 21.06.2013 and who by virtue of section 260 of the Companies Act, 1956 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose period of office shall be liable to determination by retirement by rotation".

Regd Office:
Ambaghat, Vishalgad,
Taluka – Shahuwadi,
Dist. Kolhapur
Kolhapur – 416001

By order of the Board of Directors

Sd/-
Jagdish Kapadia
Chairman

Place: Mumbai
Date: 14th August, 2013

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll, instead of him. A proxy need not be a member of the company. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the meeting.

2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no. 4, 5, and 6 of the Notice is hereto annexed.

3. Documents referred to in the accompanying notice and Explanatory Statement are open for inspection at the registered office of the Company on all working days (Monday to Friday) between11.00 a.m. and 1.00 p.m. upto the date of this meeting.

4. Register of Members and Transfer Register will remain closed from 27th September 2013 to 30th September 2013 (both days inclusive).

5. Members holding physical shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Registrar and Transfer Agent of the Company for doing their needful.

6. Members are requested to notify change in address, if any, immediately to Registrar and Transfer Agent of the Company quoting their folio numbers.

7. Members seeking the information with regards to the proposed resolution are requested to write to the Company at least one week in advance so as to enable the Management to keep the information ready.

Regd Office:
Ambaghat, Vishalgad,
Taluka – Shahuwadi,
Dis. Kolhapur
Kolhapur – 416001

By order of the Board of Directors

Sd/-
Jagdish Kapadia
Chairman

Place: Mumbai
Date: 14th August, 2013

POLSON LIMITED

EXPLANATORY STATEMENT
(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 4, 5, 6:

Mr. Pradip Pai was appointed as an Additional Director of the Company with effect from 21st June, 2013. As per the provisions of Section 260 of the Companies Act, 1956, he holds office only upto the conclusion of this Annual General Meeting but is eligible for appointment as a Director. The Company has received Notice in writing from a member under the provisions of Section 257 of the Act, proposing the candidature of Mr. Pradip Pai for the office of a Director of the Company.

Mr. Sudhir Nevatia was appointed as an Additional Director of the Company with effect from 21st June, 2013. As per the provisions of Section 260 of the Companies Act, 1956, he holds office only upto the conclusion of this Annual General Meeting but is eligible for appointment as a Director. The Company has received Notice in writing from a member under the provisions of Section 257 of the Act, proposing the candidature of Mr. Sudhir Nevatia for the office of a Director of the Company.

Mr. Nakul Patel was appointed as an Additional Director of the Company with effect from 21st June, 2013. As per the provisions of Section 260 of the Companies Act, 1956, he holds office only upto the conclusion of this Annual General Meeting but is eligible for appointment as a Director. The Company has received Notice in writing from a member under the provisions of Section 257 of the Act, proposing the candidature of Mr. Nakul Patel for the office of a Director of the Company.

None of the Directors of the Company except Mr. Pradip Pai, Mr. Sudhir Nevatia and Mr. Nakul Patel are concerned or interested in the passing of the Resolutions.

By order of the Board of Directors
Sd/-
Jagdish Kapadia
Chairman

Place: Mumbai
Date: 14th August, 2013

DIRECTORS REPORT

To,
The Members
Polson Limited

Your Directors take pleasure in presenting the 72nd Annual Report, together with the Audited Statement of the company's accounts for the year ended 31st March 2013.

FINANCIAL RESULTS

A summary of the financial results for the year 2012-13 are given below:

(Rs. in Lacs)

FINANCIAL RESULTS	2012-13	2011-12
Gross Income (Including Non operating income)	9149.42	8141.84
Less Total Expenses excluding depreciation	8090.33	7282.09
Profit /(Loss) Before Depreciation	1059.09	859.75
Less Depreciation	258.03	206.09
Profit /(Loss) before Taxation	801.05	653.66
Less Provision for Tax	216.45	202.43
Less Deferred Tax Liability	12.64	9.43
Profit/Loss after Taxation	571.96	441.80
Add Profit /(Loss) Brought Forward	2417.46	2041.89
Less Transferred to General Reserve	85.79	66.27
Less Deferred Tax Asset of previous year adjusted	NIL	NIL
Balance Carried to Balance Sheet	2903.63	2417.42

OPERATIONS

During the year the Company achieved a sales turnover of Rs 9149.42 Lacs against Rs 8141.84 for the previous year registering a growth of 12% and net profit after taxation for the year is Rs 571.96 Lacs as compared to Rs 441.80 Lacs for the previous year.

TRANSFER TO RESERVE

During the year under review the Company transferred Rs 85.79 Lacs (Previous Year Rs. 66.27 Lacs) to the General Reserve.

DIVIDEND

Your Directors wish to retain the earnings for the development of the business and therefore do not recommend any dividend for the year under review.

MINIMUM PUBLIC SHAREHOLDING

The Minimum Public Shareholding of the company is not in line with the guidelines issued by SEBI and Stock Exchanges. The company is actively pursuing the same and is hopeful of bringing the promoters shareholding to 75% and the Public shareholding to 25% by the end of the next financial year.

DIRECTORS

With a view to broad base the Board your company has appointed three independent Directors in their Board Meeting held on 21st June 2013 as Additional Directors. The names are Mr Pradip N.Pai, Mr. Sudhir H. Nevatia and Mr Nakul B. Patel. Their term comes to an end at the ensuing Annual General Meeting and being eligible they offer themselves for reappointment and the Board recommends their reappointment. The company has received the required notices along with the security deposits from the members proposing their candidature as Directors of the Company. The details of the Directors as required to be given are part of the notice issued.

As per the provisions of the Companies Act and the Articles of Association of the company Mr. Amol J. Kapadia Director of your company retires by rotation and being eligible offers himself for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, it is hereby stated that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

2. 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 true and fair vie w of the state of affairs of your Company at the end of the financial year and of the profit or loss of the Company for that period;

3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and

4. The Directors have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

Only your Managing Director is falling under the category of employees of the Company drawing remuneration as stated in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. As per provisions of section 219 (1) (b) (iv) of the Companies Act, 1956, the Director's Report and Accounts are being sent to all shareholders of the Company excluding the Statement of particulars of employees. Any shareholder interested in obtaining a copy of the Statement may write to the Company.

SUBSIDIARY COMPANY

Dudhwala Builders Pvt Ltd. is the subsidiary of your company. The consolidated Balance Sheet is given along with the Annual Report. The company has not attached the individual accounts of Dudhwala Builders Pvt . Ltd. as exempted under General Circular No. : 2 /2011 dated 8th February 2011 issued by the Ministry of Corporate Affairs. However the same are available for inspection at the registered office for members when desired.

AUDITORS:

M/s. A. S. Madon & Company, Chartered Accountants, Mumbai hold office until the conclusion of forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Auditors, if reappointed.

AUDITORS OBSERVATION:

Observations in the auditor's report are self-explanatory and do not need further comments from directors in this report

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the support and co-operation, which the Company continues to receive from its Customers, Suppliers, Bankers and Employees of the Company. The Directors are also thankful to the shareholders for their unstinted support of the Company.

Regd Office:
Ambaghat, Vishalgad,
Taluka – Shahuwadi ,
Dis. Kolhapur
Kolhapur – 415101

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-
JAGDISH KAPADIA
CHAIRMAN

Place: Mumbai
Date: 21st June 2013

ANNEXURE I

I. CONSERVATION OF ENERGY:

Operations of the Company are not Energy intensive. However, the Company has endeavoured to optimize the use of energy resources and taken adequate steps to avoid wastage and use latest technology and equipments, wherever feasible, to reduce energy consumption

(a) Energy conservation measures taken: – The Company continued using Natural Raw Materials like Hirda, Tamarind Testa etc in the manufacturing process. The residue of these raw materials is further used as FUEL for Boiler, thus reducing the consumption of Furnace Oil

(b) Additional investments and proposals if any, being implemented for reduction of consumption of energy: - NIL

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:-

Consumption of Furnace Oil is kept at 24% increase as against the actual increase of 46 % in production.

(d) Total energy consumption and energy consumption per unit of production: – As per Form A of the Annexure

II. TECHNOLOGY ABSORPTION

(e) Efforts made in technology absorption: As per Form B of the Annexure.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

(f) Activities relating to exports, initiatives taken to increase exports; development of new export markets for products and services; and export plans;

(g) Total foreign exchange used and earned

I. Earnings in Foreign Exchange during the year- Rs. 5,202.75 Lacs.

II. Foreign Exchange outgo during the year – = Rs. 350.88 Lacs.

Regd Office :
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Dis. Kolhapur
Kolhapur – 416001

By order of the Board of Directors

Sd/-
Jagdish Kapadia
Chairman

Place: Mumbai
Date: 21st June 2013

Sushila J. Kapadia
Director

ANNEXURE

FORM A
(See Rule 2)
Form for Disclosure of particulars with respect to conservation of energy
A Power and fuel consumption

1. ELECTRICITY	Current Year	Previous Year
(a) Purchased		
Units	784608	670201
Total Amount Rs.	56,63,360	45,27,020
Rate Per Unit Rs.	7.22	5.67

(a) Own generation		
(i) Through Diesel Generator		
Unit /Rs	2,437,542	38,14,687
Unit per litre of Fuel oil/gas	5 units	5 units
Cost per unit Rs	5.57	8.73
(ii) Through steam turbine/generator		
Unit	NIL	NIL
Unit per litre of Fuel Oil/Gas	NIL	NIL
Cost Per Unit	NIL	NIL

1. COAL *(specify quantity and where used)*		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Cost/Unit	NIL	NIL

1. FURNACE OIL	Current Year	Previous Year
Quantity (K. ltrs)	514316 Ltrs	458022 Ltrs
Total Amount Rs.	1,94,89,923	1,55,25,490
Average Rate Per Litre Rs.	37.89	33.90

1. OTHERS /INTERNAL GENERATION (please give details)		
Quantity	NIL	NIL
Total Cost Rs	NIL	NIL
Rate/ Unit Rs.	NIL	NIL

B Consumption per unit of production

Standards (if any)	Current Year	Previous Year
Production (MT)	17095	14804
Electricity (KWH/ MT)	331.29	305.80
Furnace /HSD Oil	1140.09	1048.74
Coal	NIL	NIL
Others	NIL	NIL

NOTES:

(1) Please give separate details for different products/items produced by the company and covered under these rules.

(2) Please give reasons for variation in the consumption of power and fuel from standards of previous year.

(3) In case of production of different varieties / specification consumption details may be given for equivalent production.