

**75th ANNUAL REPORT &
ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016**

DIRECTORS

**Sushila Kapadia
Amol Kapadia
Pravin d. Samant
Dhau Lambore
Pradip Pai
Sudhir Nevatia
Haren Sampat**

**Chairperson
Managing Director
Director Technical
Director
Independent Director
Independent Director
Independent Director**

SOLICITORS

D.H. Nanavati

STATUTORY AUDITORS

A.S. Madon & Co.

BANKERS

**CITI BANK N.A.
STANDARD CHARTERED
HDFC BANK LTD.
BANK OF INDIA**

REGISTERED OFFICE

Ambaghat, Vishalgad,
Taluka- Shahuwadi,
Dist- Kolhapur, Kolhapur-415 101.
Maharashtra
Email id: mca1234@gmail.com
Website:

CIN: L15203PN1938PLC002879

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NOTICE

NOTICE is hereby given that the 75th Annual General Meeting of Polson Ltd will be held on Friday, September 30, 2016 at the Registered Office of the Company at ChitraKuti at Ambaghat, Vishalgad, Taluka-Shahuwadi, Dist. Kolhapur, Kolhapur-415 101 at 11.30 a.m. to transact the following businesses:

Ordinary Business:

1. To received, consider and adopt the audited Balance Sheet as at 31st March 2016, along with the Profit and loss Account for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Sushila Kapadia (DIN 02105539) who retires by rotation and being eligible offers herself for re-appointment.

Special Business:

3. **To consider and, if thought fit, to pass, with or without modification, the following resolution as a Ordinary Resolution:**

“**RESOLVED THAT** subject to the provisions of Section 139 and Section 141 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby appoints M/s G.N.N & Associates., Chartered Accountants (FRN. 133442W), Mumbai, as the Statutory Auditors of the Company for a term of five years and to hold office from the conclusion of this Annual General Meeting until conclusion of the Annual General meeting to be held for the financial year 2021 (subject to ratification of their appointment at every AGM) on such remuneration as may be determined by the Board of Directors.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Abhay Bhalerao (holding DIN 00974229), Director of the Company, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office as such for a period of 5 (five) consecutive years, with effect from the date of this meeting and that he shall not be liable to retire by rotation.”

Regd. Office:
Ambaghat, Vishalgad,
Taluka – Shahuwadi,
Dis. Kolhapur
Kolhapur – 415101
Place: Mumbai
Date: 31.08.2016

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-
SUSHILA KAPADIA
CHAIRPERSON

NOTES

1. The relevant explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of item no. 4 & 5 of the Notice is hereto annexed.
2. **A MEMBER 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.**

A person can act as proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights, provided that a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies, etc must be supported by an appropriate Resolution/authority, as applicable.

The instrument appointing a proxy and the power of attorney, if any, under which it is signed, should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Annual General Meeting.

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) between 11.00 a.m. and 1.00 p.m. upto the date of this meeting and will also be available for inspection.
4. Register of Members and Transfer Register will remain close from 23rd September 2016 to 30th September 2016 (both days inclusive).
5. Members holding 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.
8. Members/ Proxy holders are requested to bring at the venue of Annual General Meeting their attendance slip duly signed so as to avoid inconvenience.
9. To support the "Green Initiative", Members who have not registered their email addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices and Circulars etc. from the Company electronically.
10. The route map showing directions to reach the venue of the Seventy Fifth AGM is annexed

INSTRUCTIONS FOR EVOTING

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is offering e-voting facility to its members in respect of the business to be transacted at the Seventy Fifth Annual General Meeting to be held on Friday, the 30th day of September, 2016 at 11.30 a.m. at ChitraKuti at Ambaghat, Vishalgad, Taluka – Shahuwadi, Dist – Kolhapur, Kolhapur – 415 101.
- ii. The facility for poll shall be made available at AGM & the members attending the meeting who have not cast their vote by e-voting shall be able to exercise their right at the meeting through poll paper.
- iii. The members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- iv. The E-voting period commences on 27th September, 2016 from 10.00 a.m. to 29th September, 2016 up to 6.00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. **Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 23rd September, 2016.**
- vi. The Process and manner of e-voting is as under.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, 27th September, 2016 at 10.00 am and ends on Thursday, 29th September, 2016 at 6.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "shareholders".
- (iv) Now enter your user ID.
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, than your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digits alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN filed. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA000000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

POLSON LIMITED

- (ix) Members holding shares in physical form will then reach directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- (xi) Click on the EVSN for the relevant (Polson Limited) on which you choose to vote.
- (xii) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm you vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" you vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non- Individual Shareholders & Custodians:
- Non- Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Companies user would be able to link the depository account(s) / folio numbers on which they wish to vote on.
 - The List of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian. If any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- (xx) Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares on cut-off date i.e. 23rd September, 2016 may obtain the login id and password by sending a request at helpdesk.evoting@cdslindia.com
- (xxi) Mr. Mihen Halani, Practicing Company Secretary has been appointed as the Scrutinizer for providing the facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

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

Place: Mumbai
Date: 31.08.2016

BY ORDER OF THE BOARD OF DIRECTORS

SD/-
SUSHILA KAPADIA
CHAIRPERSON
Din: 02105539

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013**Item no. 4- Appointment of Auditors of the Company**

The existing auditors of the Company, M/s A. S. Madon & Co. has completed their terms as a Auditors of the Company as per the provisions of sub section (2) of Section 139 of the Companies Act, 2013.

Board proposes that M/s. G. N. N & Co., Chartered Accountants, Mumbai, be appointed as the Statutory Auditors of the Company in place of existing Auditors of the Company. M/s. G. N. N & Co, Chartered Accountants, Mumbai, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The Directors therefore, recommend the Ordinary Resolution for the approval of the shareholders. None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company is, in any way, financially or otherwise, concerned or interested in the resolution.

Item No. 5 Appointment of Mr. Abhay Bhalerao

The Board of Directors had, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Abhay Bhalerao (DIN 00974229) as Additional Non-Executive independent Director of the company on 15/07/2016 for a term of five years, subject to the approval of the Members at the ensuing Annual General Meeting (AGM) of the Company. As Additional Directors, Mr. Abhay Bhalerao holds office up to the date of the forthcoming AGM of the Company. The Company has received notice in writing from Members, proposing the candidature of Mr. Abhay Bhalerao for the office of Director under the provisions of Section 160(1) of the Act.

As per Section 149, an Independent Director shall hold office for a term upto five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Abhay Bhalerao has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16 of SEBI (Listing Obligation and Disclosure Requirement) Reg., 2015.

In the opinion of the Board, Mr. Abhay Bhalerao fulfils the conditions specified in the Act and the Rules made there under for appointment as an Independent Director and they are independent of the Management and proposes his appointment as an Independent Director before the Members in General Meeting for their approval.

Copy of the draft letters for respective appointments setting out terms and conditions of appointment of Mr. Abhay Bhalerao shall be open for inspection by the Members at the Registered Office during normal business hours on any working days of the Company.

Mr. Abhay Bhalerao aged 49 years is a Bachelor of Mechanical Engineering. He is promoter of Amrut Software Private Limited. He has experience of over 15 years and is being instrumental for opening up the Indian market to International software majors such as Allaire, Starbase, Empirix, Borland. He was earlier with Fouress engineering in Agar interface products and then with Infomatics SET Marketing for selling of Allairs Cold Fusion, Robohelp, Turbo Analyst, True Soft, Starteam, Empirix – eTest / eLoad etc. He specializes in Starteam, Empirix SA well as Rational's SQA. Currently he is on board of 'The barking deer' Brewpub in Mumbai and A Co-Promoter of 'That's Personal' a Personal Wellness Website. Mr. Abhay Bhalerao was appointed post financial year w.e.f. July 15, 2016.

POLSON LIMITED

The Board accordingly recommends the resolution at Item No.5 of this Notice for the approval of the Members as Ordinary Resolution. No other Directors or Key Managerial Personnel of the Company or their respective relatives, are concerned or interested in the resolution.

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

BY ORDER OF THE BOARD OF DIRECTORS

SD/-
SUSHILA KAPADIA
CHAIRPERSON
Din: 02105539

Place: Mumbai
Date: 31.08.2016

DIRECTORS REPORT

To,
The Members,

Your Directors have pleasure in presenting their 75th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

1. FINANCIAL RESULTS:

(Amount in lakhs)

Particulars (Standalone)	Standalone	
	2015-16	2014-15
Total Income	11118	11087
Total Expenditure	(10083)	(10129)
Profit before Tax	2520	958
Provision for Tax	(575)	(280.6)
Less/Add Deferred Tax Liability	(330)	(22.33)
Profit after Tax	1615	655.07
Add: Balance of Profit brought forward	3826.70	3270.14
Profit available for appropriation :	5441.7	3925.21
Less: Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to Reserves	(242.29)	(98.21)
Less: Short Provision for previous year adjusted	-	-
Surplus carried to the Balance Sheet	5199.8	3827
<u>Earning per Equity Share (Face Value: Rs. 50/-)</u>		
Basic	1346.10	545.64
Diluted	1346.10	545.64

Note: The Board's Report shall be prepared based on the stand alone financial statements of the company.

2. DIVIDEND:

The Company would like to reserve its profits for its growth; and hence your Directors do not recommend dividend for the Financial Year.

3. RESERVES:

The appropriations for the year are:

Particulars	Standalone(in lacs)
Net Profit for the year	Rs. 1615/-
Balance of Reserve at the beginning of the year	Rs.3827/-
Transfer to General Reserve	Rs.242/-
Balance of Reserve at the end of the year	Rs. 5200/-

4. INFORMATION ON THE STATE OF COMPANY'S AFFAIR

The Company achieved a turnover of Rs. 1,04,14,78,229/- during the current year, as against Rs. 1,07,68,39,241/- during the previous year. The profit during the year has been Rs. 16,15,31,482/-- as against Rs. 6,54,77,189/- during the previous year 2014-15.

The Company is engaged only in one segment which is of manufacturing synthetic organic tanning substance.

The highlights of the Company's performance are as under:

- Revenue from operations remained at par with the previous year to Rs. 10414.78/- lacs from the previous year figure of Rs.10390.54/- lacs
- Similarly Exports Revenue for this year is at Rs.7463.26/-Lacs against the previous year of Rs. 7314.71/- lacs
- PBDIT increased to Rs. 2213.65/-Lacs from the previous year Rs.1930.49/-
- Profit before tax [prior to exceptional items] increased by 8.16% to Rs.1035.91/- lacs
- Cash Profit increased by 195% to Rs. 2825.95/-
- Gross Margin 33.41% for the year ended March 31, 2016.

5. MATERIAL CHANGES AND COMMITMENTS BETWEEN END OF FINANCIAL YEAR AND DATE OF REPORT:

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

6. DIRECTORS' RESPONSIBILITY STATEMENT:

As per the clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors' state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had 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 the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

During the year under review, the Company has following subsidiaries:

A. Direct Subsidiary

The Company has one subsidiary M/s. Dudhwala Builders Private Limited which was ceased to be the subsidiary of the Company w.e.f. 15.06.2015;

B. The Company does not have any jointly held subsidiary; step down subsidiaries and Joint Venture.

C. Associate Companies:

The Company does not have associates companies in which it holds more than 50% shareholding.

8. DEPOSITS

Company has not accepted any deposit from the public within the meaning of chapter V of the Companies Act, 2013 during the year under review.

9. RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Polson Management System (PMS) that governs how the Company conducts the business of the Company and manages associated risks.

10. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

According to Section 134 (5) (e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by a company for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control system also comprises due compliances with Company's policies, standard operating procedures and audit and compliance by an in house internal audit division, supplemented by internal audit checks from Mr. Madhavan Menon the Internal Auditor.