



POLSON LTD

Manufacturers & exporters of eco friendly tannin extracts & leather chemicals since 1906

Date: December 2, 2020

To,
The Manager
Department of Corporate Services,
Bombay Stock Exchange Limited,
Phirozee Jeejeeboy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Dear Sir,

Sub: Compliance of Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Part A of Schedule III of SEBI Listing Regulations, please find enclosed herewith 79th Annual Report of the Company for the Financial Year 2019-20 along with the Notice convening 79th Annual General Meeting (AGM) to be held on Thursday, December 24, 2020 at 12.30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OVAM").

In compliance with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 5, 2020 issued by Ministry of Corporate Affairs ("MCA Circulars") and other applicable provisions of the Companies Act, 2013 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular") issued by the Securities and Exchange Board of India and relevant provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Annual Report along with the Notice convening 79th AGM of the Company for the Financial Year 2019-20 is being dispatched / sent to the Members through email only on December 2, 2020 whose email were registered with the Company / Depositories.

Further, please note the following:

Sr. No.	Particulars	Date
1	Cut-off Date / Record Date for Determining the shareholders of 79 th Annual General Meeting	Tuesday, December 15, 2020
2	Remote E-voting Period	Commence on Monday, December 21, 2020 from 10.00 A.M. (IST) and end on Wednesday, December 23, 2020 at 5.00 P.M. (IST)

REGD. OFFICE: Ambaghat Vishalgad, Taluka Shahuwadi, District Kolhapur - 415 101. CIN No. L15203PN1938PLC002879

MUMBAI CITY: 615/616 (6th floor) Churchgate Chambers, 5, New Marine Lines, Churchgate, Mumbai 400 020.

Tel.: 91-22-2262 6437 /2262 6439. Fax: 91-22-22822325. E-mail: admin@polsonltd.com

KOLHAPUR : Unit No.3, B-4, Kagal Hatkanangale, 5 Star MIDC, Kagal, Kolhapur - 416 216.Tel.: 91-231-2305199.

3	Book Closure	from Friday, December 18, 2020 to Thursday, December 24, 2020 (both the days inclusive)
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Request you to take the above on your record.

Thanking you,
For Polson Limited



Amol Jagdish Kapadia
Managing Director
DIN: 01462032

Encl.: As above



POLSON LTD
79TH
ANNUAL REPORT
2019-2020

79th ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 2020

DIRECTORS

Chandrakant Gupte	-	Chairman, Independent Director
Rajiv Agarwal	-	Independent Director
Amol Kapadia	-	Managing Director
Sushila Kapadia	-	Executive Director
Pravin D. Samant	-	Executive Director
Dhau Lambore	-	Non-Executive, Non-Independent Director
Sudhir Nevatia	-	Independent Director (Retired w.e.f.27.09.2019)
Abhay Bhalerao	-	Independent Director (Resigned w.e.f.11.06.2019)

CHIEF FINANCIAL OFFICER (CFO)

Mr. Sanjay Shantaram Bhalerao

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mrs. Sampada Sachin Sawant

SOLICITORS

D.H. Nanavati

STATUTORY AUDITORS

R. G. B. & Associates, Chartered Accountant

INTERNAL AUDITORS

Nirmal Nagpal

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

CORPORATE OFFICE

615/616 Churchgate Chambers, 5 New
Marine Lines Road, Churchgate, Mumbai-
400 020

Email id: compliance@polsonltd.com

Website: www.polsonltd.com

CIN: L15203PN1938PLC002879

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NOTICE

NOTICE is hereby given that the 79th Annual General Meeting (AGM) of Polson Ltd (“the Company”) will be held on Thursday, December 24, 2020 at 12.30 p.m. through Video Conferencing ('VC') facility or Other Audio Visual Means ('OAVM'), to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone Financial Statements as at 31st March 2020, along with the Profit and Loss Account for the year ended on that date and the Report of the Board of Directors' and Auditor's thereon.
2. To appoint a director in place of Smt. Sushila Jagdish Kapadia (DIN: 02105539) who retires by rotation in terms of section 152 (6) of the Companies Act, 2013, and being eligible, has offered himself for re-appointment.

By Order of the Board of Directors of
POLSON LTD

Place: Mumbai
Date: November 13, 2020

Sd/-
Sampada Sachin Sawant
Company Secretary & Compliance Officer
Membership No.: ACS 51343

: NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming Annual General Meeting (“the meeting” / “AGM”) will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Since the General Meeting will be held through VC or OAVM in accordance with the Circulars, the route map is not annexed to this Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, December 18, 2020 to Thursday, December 24, 2020.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing body's resolution/authorization, etc., authorizing their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the scrutinizer by email through its registered email address to compliance@polsonltd.com with a copy marked to support@purvashare.com.
6. The facility of joining the e-AGM through VC/OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be available to atleast 1,000 members on a first come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are not allowed to attend the AGM without restriction on account of first come first served basis.
7. Institutional investors, who are members of the Company are encouraged to attend and vote at the AGM of the Company.
8. In case of joint holder attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote at the meeting.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
10. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of

members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Purva Sharegistry India Private Limited (RTA).

12. Share Transfer Permitted only in Demat: Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, it is advised that transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1st, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, members holding shares in physical form are requested to take action to dematerialize the Equity Shares, promptly to avoid inconvenience in future.

13. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to compliance@polsonltd.com.

14. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated 12 May 2020, Notice of 79th AGM along with the Annual Report for Financial year 2019-2020 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the physical copy of the Annual Report will not be sent. Members may note that the Notice and Annual Report for the Financial year 2019-2020 will also be available on the Company's website at <https://www.polsonltd.com/finance-investor-relation-annual-reports> and website of the stock exchanges i.e., BSE Limited at www.bseindia.com.

In compliance with provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Annual Report for Financial Year 2019- 2020 of your Company has been sent via Electronic Mode (E-mail) to the Members whose E-mail ID was made available to us by the Depositories Participants. We request the Members to register / update their e-mail address with their Depository Participant, in case they have not already registered/ updated the same.

15. Members are requested to join the Company in supporting the Green Initiative taken by Ministry of Corporate Affairs ("MCA") to effect electronic delivery of documents to the members at the E-mail addresses registered for the said purpose. Members are hereby requested to register their E-mail addresses with their Depository Participant or with Purva Sharegistry India Pvt. Ltd, Registrar and Share Transfer Agent (RTA) of the Company, for sending various Notices, Dividend intimation and other documents through Electronic Mode. Those members who have changed their E-mail Addresses are requested to register their E-mail ID / New Addresses with RTA, in case the shares are held in physical form and with the Depository Participants where shares are held in Demat mode.

Members are requested to update their complete bank account details with their depositories where shares are held in dematerialized mode and with Registrar & Share Transfer Agent ("RTA") of the Company i.e. Purva Sharegistry India Private Limited by sending the request at support@purvashare.com along with

copy of the request letter signed by the Members mentioning the name, folio number, bank account details, self-attested copy of PAN card and cancelled cheque leaf.

16. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 to the Company or the Registrar and Transfer Agent of the Company. The said form can be downloaded from the Company's website <http://www.polsonltd.com>. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.

17. The Notice for the Annual General Meeting and all the documents referred to in the accompanying notice will be available for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon upto the date of Annual General Meeting. The Notice will also be available on the Company's website at: <http://www.polsonltd.com>

18. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the General Meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

19. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company <http://www.polsonltd.com>., notice board of the Company at the registered office as well as the corporate office and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on Monday, December 21, 2020 from 10.00 A.M. and ends on Wednesday, December 23, 2020 at 5.00 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 (record date) of Friday, December 18, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on "Shareholders" module.
 - (v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- OR

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both 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 (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) **Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@polsonltd.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
- (ii) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

- (i) Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

- (iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Shareholders may send their questions/queries in advance at least 48 working hours prior to the time fixed for meeting mentioning their name, demat account number/folio number, email id, mobile number at company's email compliance@polsonltd.com. These queries will be replied to by the company suitably by email or answered during the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:

- (i) The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
- (iii) If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- (iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

20. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at hyperlink <http://www.evotingindia.com> www.evotingindia.com, under help section or write an email to helpdesk.evoting@cDSLindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022- 23058543) or Mr. Rakesh Dalvi (022-23058542).

21. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cDSLindia.com or call on 022-23058542/43.

22. Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 (SS-2):

Name of the Director	*Mr. Sushila Kapadia
Age	88 yrs

Director Identification Number (DIN)	02105539
Date of Appointment on the Board	07/03/1981
Qualifications	She has completed her graduation in Arts from Elphinstone College, Mumbai. She has earlier worked at the Government of India Tourist offices located in Mumbai, India and New York, USA. She is has been National Champion in Badminton three times and a Triple Crown holder in the nationals. She also represented India in the first International Ladies Badminton Championship - the Betty Uber Cup.
Expertise in specific functional area	Active Social Worker and handles Corporate Social Responsibility for Company
Number of shares held in the Company	11,222 Equity Shares
Terms and Conditions	-
Justification for appointment of Independent Director	Not Applicable
List of the directorships held in other listed entities	please refer to the Corporate Governance Report
Chairman / Member in the Committees of the Boards of companies in which he is Director	please refer to the Corporate Governance Report
Relationships between Directors inter-se	Mr. Amol Jagdish Kapadia is her Son.

For other details of the aforesaid directors, please refer to the Corporate Governance Report.

*The Board of Directors proposes the re-appointment of Mrs. Sushila Kapadia as an Executive - Non Independent Director and recommends the resolution as set out in Item No. 2 of the Notice for the approval of the members at the ensuing Annual General Meeting.

By Order of the Board of Directors of
POLSON LTD

Sd/-

Sampada Sachin Sawant
Company Secretary & Compliance Officer
Membership No.: ACS 51343

Place: Mumbai

Date: November 13, 2020

POLSON LIMITED

CIN: L15203PN1938PLC002879

Registered Office: Ambaghat Talluka, Shahuwadi, Kolhapur, Maharashtra-415 101
Corporate Office: 615/616, Churchgate Chambers, 5 New Marine Lines Road, Churchgate,
Mumbai-400020, Maharashtra

Website: www.polsonltd.com E-Mail: compliance@polsonltd.com

Tel: +91 22 22626439 Fax: +91 22626437

Shareholders' Detail Updation-Cum-Consent Form

To,
The Company Secretary,
POLSON LTD,
Ambaghat Talluka, Shahwadi,
Kolhapur Maharashtra-415 101

I/ we the member(s) of the Company do hereby request you to kindly register/ update my e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned below. Please register the below mentioned e-mail address / mobile number for sending communication through e-mail/ mobile.

Folio No.	:		DP – ID	:		Client ID	:	
Name of the Registered Holder (1 st)		:						
Name of the joint holder(s)		:						
Registered Address		:						
			Pin:					
Mobile Nos. (to be registered)		:						
E-mail Id (to be registered)		:						
Bank Account detail		:						
Name of the Bank		:						
Account Number		:						
Address of the Branch		:						
IFSC Code		:						
MICR Code		:						

Signature of the member(s)*

* Signature of all the members is required in case of joint holding.

**Form No. SH-13
Nomination Form**

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,
The Company Secretary,
POLSON LTD,
Ambaghat Talluka, Shahwadi,
Kolhapur Maharashtra-415 101

I/ We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S –

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR—

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

Name: _____
Address: _____

Name of the Security Holder(s) _____
Signatures: _____
Witness with name and address: _____

INSTRUCTIONS:

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of Shares in favor of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialized, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the members.
14. For shares held in dematerialized mode nomination is required to be filed with the Depository Participant in their prescribed form.

DIRECTOR'S REPORT

To,
Dear Members,

The Directors of your Company are pleased to present the 79th Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ("F.Y.") ended March 31, 2020.

1. FINANCIAL RESULTS:

The performance of the Company is summarized below:

(Amount in lakhs)

Particulars (Standalone)	STANDALONE	
	2019 - 20	2018 - 19
Income from Business Operations	9669.90	10,893.91
Other income	486.88	609.02
Total Revenue	10,156.78	11,502.93
Total Expenditure	9115.54	10,367.52
Profit before exceptional item and tax	1041.24	1,135.41
Exceptional item	-	-
Profit before tax	1041.24	1,135.41
Provision for Tax	276.12	361.93
Less/Add Deferred Tax Liability	64.08	-206.86
Prior year tax adjustments (net)	-8.79	-12.46
Profit after Tax	709.82	992.80
Other Comprehensive Income	0.76	1.07
Profit available for appropriation :	709.06	993.87
Less: Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to Reserves	-	-
Surplus carried to the Balance Sheet	709.06	993.87
Earning per Equity Share (Face Value: Rs. 50/-)		
Basic	591.52	827.33
Diluted	591.52	827.33

Note: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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 lakhs)
Net Profit for the year	709.82
Other comprehensive Income for the year	0.76
Balance of Reserve at the beginning of the year	9004.02
Transfer to General Reserve	-
Prior year reversal of profit on account of cancellation of contracts	(150.00)
Balance of Reserve at the end of the year	9563.09

4. INFORMATION ON THE STATE OF COMPANY'S AFFAIR:

The Company achieved a turnover of Rs. 9669.90 lakhs during the current year, as against Rs. 10,893.91 lakhs during the previous year. The profit during the year has been Rs. 709.82 lakhs as against Rs. 992.80 during the previous year 2018-19.

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

5. SHARE CAPITAL:

The Paid-up Share Capital of the Company as on March 31, 2020, was Rs. 60,00,000/- consisting of 1,20,000 Equity Shares of Rs. 50 each. The shares of the Company are listed on the BSE Limited since July 03, 1995.

6. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

During the year under review, the Company does not have any subsidiary, associate Companies or Joint Venture. However, the Company has a holding Company named AJI Commercial Private Limited.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 of the Companies Act, 2013, and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm the following statements:

- a) that in the preparation of the Annual Financial Statements for the year ended 31 March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2020 and of the profits of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Annual Financial Statements have been prepared on a going concern basis;
- e) that proper internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. DEPOSITS:

Your Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposit under Section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 was outstanding as on the date of the Balance Sheet.

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 Nirmal Nagpal, the Internal Auditor.

The Internal Auditor independently evaluated the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting to the Audit Committee of the Board. A MD and CFO Certificate, forming part of the Corporate Governance Report, further confirms the existence and effectiveness of internal controls and reiterates their responsibility to report deficiencies to the Audit & Committee and rectify the same. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

11. DIRECTORS:

A) Since last Report, following Changes in Directors and Key Managerial Personnel took place

- ✚ During Financial year, Mr. Abhay Bhalerao (DIN: 00974229) an Independent Director has vacate the position of directorship w.e.f. 11.06.2019.
- ✚ During Financial year, Mr. Sudhir Hari Prasad Nevatia (DIN: 00001258) showed his unwillingness to be re-appointed as an Independent Director in the Annual General meeting which was held on September 27, 2019 due to pre-occupancy in other work.
- ✚ During Financial year, there was change in designation of Mrs. Sushila Kapadia (DIN: 02105539) from Non-Executive Non-Independent Director to Executive Director on March 12, 2020.
- ✚ During Financial year, there was change in designation of Mr. Dhau Lambore (DIN: 02274626) from Executive Director to Non-Executive Non-Independent Director on March 12, 2020.

In terms provision of the Act and the articles of association of the Company, Mrs. Sushila Kapadia (DIN: 02105539) is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for re-appointment as a director liable to retire by rotation by the Board.

Details about the directors being appointed / re-appointed are given in the Notice of the forthcoming Annual General Meeting being sent to the members along with the Annual Report.

None of the Directors are disqualified for being appointed as the Director of the Company in terms of section 164 of the Companies Act, 2013.

B) Declaration by an Independent Director(s) and re- appointment, if any

The Company after due assessment took on record the necessary declarations received from each of the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, and also in the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as an Independent Directors of the Company. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

In the opinion of the board, the independent directors possess the requisite expertise and experience and are the person of integrity and repute. They fulfill the Conditions specified in the Companies Act, 2013 and the rules made thereunder and are independent of the management. Further, all the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Gurgaon (“IICA”) as notified by the Central Government under Section 150(1) of the Companies Act, 2013 and as applicable shall undergo online proficiency self-assessment test within the time prescribed by the IICA.

C) Number of Meetings of the Board of Directors

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are prescheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board’s approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

During the period under review the Board of Directors met 8 (Eight) times viz. on May 30, 2019; July 17, 2019, August 14, 2019; August 31, 2019; November 14, 2019; January 14, 2020; February 13, 2020 and March 12, 2020 the details of the meetings of the board of director of the company convened during the financial year 2019-20 are given in the Corporate Governance Report which forms part of Annual Report.

E) Familiarisation Programme for Independent Directors

All new independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are provided in the Corporate Governance report and are also available on our website (<https://www.polsonltd.com>). Further at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities.

12. COMMITTEES OF THE BOARD:

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees.

There are currently four Committees of the Board, as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders’ Relationship Committee
- Corporate Social Responsibility Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the “Report on Corporate Governance”, a part of this Annual Report.

13. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

The Company has adopted vigil mechanism policy under the provision of Section 177 of the Companies Act, 2013. The vigil mechanism provides adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and provides direct access to the Chairperson of the Audit Committee.

14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Company is committed to maintain the highest standards of adhering to Corporate Governance as per the requirements set out by the SEBI Listing Regulations. The Company has complied fully with Corporate Governance requirements under the SEBI Listing Regulations. A separate section on Corporate Governance practices followed by the Company together with a Certificate from Statutory Auditor and Management Discussion and Analysis as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) are annexed as **Annexure A** and form part of this Annual Report.

15. SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

16. INDIAN ACCOUNTING STANDARDS (IND AS):

The Ministry of Corporate affairs vide its notification dated February 16, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of this notification, the financial statements for the year ended March 31, 2020 are prepared in accordance to the same.

17. CORPORATE GOVERNANCE CERTIFICATE:

Your Company has complied with Regulation 34 of SEBI (Listing Obligations and Disclosure Regulations) Requirements, 2015 of the stock exchanges. A report on Corporate Governance as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Regulations) Requirements, 2015 along with Independent Auditor's Certificate on compliance with the Corporate Governance, forms part of this Annual Report.

Board diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website (<https://www.polsonltd.com/investor.html>)

Polson's Code of conduct for the prevention of insider trading

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

Policies

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance

policies are available on our website (<https://www.polsonltd.com/investor.htm>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

18. MANAGERIAL REMUNERATION:

Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are detailed in **Annexure B** to this report.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

The information as required under Section 134(3)(m) of the Companies Act, 2013 with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo are detailed in **Annexure C** to this report

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The provisions of Section 186 of the Companies Act, 2013 requiring disclosure in the financial statements giving particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security is not applicable to your company since no transactions of such nature has been undertaken or entered into by your company.

The amount of loan given is within the limits prescribed u/s 186 of the Companies Act, 2013.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto has been disclosed in Form No. AOC -2 as detailed in **Annexure D** to this report.

22. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE:

The Company has no subsidiary or associate Company. Further the Company has not entered into any joint venture. However, the Company has Holding Company.

23. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Policy of the Company and the details about the development of CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as **Annexure E** to this Report.

24. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return of the Company as on 31st March, 2020 in Form MGT - 9 in accordance with Section 92 (3) of the Act read with Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <http://www.polsonltd.com/> and is set out in **Annexure F** to this Annual Report.

25. STATUTORY AUDITORS

The shareholder at their Seventy Sixth (76th) Annual General Meeting held on September 29, 2017 approved appointment of M/s. R. G. B. & Associates, chartered Accountants (FRN. 144967W) as Statutory Auditors of the Company for a period of five years from the conclusion of Seventy Sixth (76th) Annual General Meeting till the conclusion of the Eighty First (81st) Annual General Meeting. The requirement to place the matter relating to ratification in appointment of Auditors by Members at every Annual General Meeting is done away vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors.

The Auditors have confirmed that they are not disqualified from continuing as auditors of the Company.

The notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation or adverse remark.

There are certain observations made in the Auditor's Report therefore call for further Comments under section 134 of the Companies Act, 2013. The same are given as under;

Director's comment on Auditor's Observation

Auditor's observation	Director's comment
The company has not maintained proper records of Fixed Assets.	The Company is in process of maintaining records of fixed assets and the same will be updated shortly.
As the Company has not maintained the Fixed Asset Register, we are unable to get the list of all immovable properties held by the Company and its Title Deeds.	All the title deeds of immovable properties are held in the name of the Company. The Company is in process of maintaining records of fixed assets.

26. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company, has appointed M/s. Mihen Halani & Associates, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2020.

The Secretarial Audit Report is annexed and detailed in **Annexure G** to this report herewith. The qualifications provided in the report are self-explanatory and along with explanation of Board are as follows.

COMMENTS ON QUALIFICATIONS IN SECRETARIAL AUDIT REPORT

Comments in Secretarial Audit Report	Directors Comment
Non -maintenance of fixed asset register	The Company is in process of maintaining records of fixed assets.

Corporate Social Responsibility(CSR) under Section 135 of the Companies Act, 2013	The Company has identified CSR projects/activities which are under scrutiny near the end of the year. The Company was identifying the proper sources through which the said expense can be directed. The Company shall be spending the CSR amount in the identified areas through the finalized sources.
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The other comments in the Secretarial Audit Report are self-explanatory.

Further, Bombay Stock Exchange(vide) its letter LIST/COMP/Reg.27(2) & Reg.17 to 21/Dec-19/507645/283/2019-20 dated February 03,2020 has levied penalty of Rs. 2,17,120/-(Rupees Two Lac Seventeen Thousand One Hundred Twenty Only) for Non-Compliance of constitution of Nomination and Remuneration Committee(NRC). The Board mentioned that they faced numerous technical difficulties while preparing/filing the Corporate Governance report including the difficulties while selecting the designation of various committee members. Due to which the company was imposed with the said penalty. The Company has filed relevant reply along with all the supporting documents with the Stock Exchange. The Company is yet to receive response from the Stock Exchange for the same.

Further, pursuant to the circular issued by the SEBI dated February 8, 2019, Secretarial Auditor has issued the “Annual Secretarial Compliance Report” for the year ended on March 31, 2020 and the same was submitted to the stock exchange in time.

27. COST AUDITORS

The Company is not required to appoint cost auditor pursuant to provisions of section 148 of the Companies Act, 2013 and rules made thereunder.

28. INTERNAL AUDITOR

The Board of Directors of the Company has appointed Mr. Nirmal Nagpal, as an Internal Auditor of the Company for the financial year 2019-20 and there report is reviewed by Audit Committee from time to time.

29. POLICY FOR DETERMINING DIRECTORS’ ATTRIBUTES AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

Pursuant to Section 178 of the Act, the Board has devised Nomination and Remuneration Policy for determining director attributes and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The Board Diversity and Remuneration Policy, has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board and to ensure that the level and composition of the remuneration of Directors, Key Managerial Personnel and all other employees are reasonable and sufficient to attract, retain and motivate them to successfully run the Company. The said Policy is available on the website of the Company and can be accessed at the web link: www.polsonltd.com

30. PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance
- iv. Providing perspectives and feedback going beyond information provided by the management
- v. Commitment to shareholder and other stakeholder interests.

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

31. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of Seven years. Therefore there were no funds which were required to be transferred to investor Education and Protection Fund (IEPF).

32. COMPLIANCE WITH THE MINIMUM PUBLIC SHAREHOLDING (MPS) REQUIREMENTS

The company has complied with the Minimum Public Shareholding (“MPS”) requirement as specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 as mandated under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

33. COMPLIANCE WITH PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to uphold and maintain the dignity of women employees and an Internal Complaints Committee has been formed for each location of the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Further, the Company has also framed ‘Sexual Harassment Policy of Polson Limited to prevent sexual harassment of women at work place. For the year under review, no case of Sexual harassment was reported to the Internal Complaints Committee.

34. 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.

35. MD/CEO/CFO CERTIFICATION

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the certification by the Managing Director and Chief Financial Officer on the financial statements and Internal Controls relating to financial reporting has been obtained.

36. MISCELLANEOUS

- Your company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- Your Company did not allot any equity share as sweat equity shares. Therefore, no disclosures as required under Rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014;

- During the year under report, no significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future.

37. ACKNOWLEDGEMENTS

Your Directors are grateful to the Investors for their continued patronage and confidence in the Company over the past several years. Your Directors also thank the Central and State Governments, other Statutory and Regulatory Authorities for their continued guidance, assistance, co-operation and support received.

Your Directors thank all our esteemed clients, associates, vendors and contractors within the country and overseas for their continued support, faith and trust reposed in the professional integrity of the Company. With continuous learning, skill upgradation and technology development Company will continue to provide world class professionalism and services to its clients, associates, vendors and contractors.

Your Directors also wish to convey their sincere appreciation to all employees at all levels for their dedicated efforts and consistent contributions and co-operation extended and is confident that they will continue to contribute their best towards achieving still better performance in future to become a significant leading player in the industry in which Company operates.

**For and On behalf of the Board of Directors of
Polson Limited**

**Place: Mumbai
Date: November 13, 2020**

Sd/-

**Chandrakant Gupte
Chairman
DIN: 08019397**

ANNEXURE 'A': MANAGEMENT DISCUSSION AND ANALYSIS

Specialty Chemicals Market Outlook - 2027

The global specialty chemicals market was valued at \$711.0 billion in 2020, and is projected to reach \$953.9 billion by 2027, growing at a CAGR of 5.0% from 2020 to 2027.

Specialty chemicals are particular chemical products that help in providing variety of effects to various industries that they cater to such as textile, ink additives, construction, oil & gas, cosmetics, and food. Specialty chemicals can be single-chemical formulations or entities whose composition greatly influences the performance of the customers' product. These chemicals are used on the basis of their function and performance. Continuous R&D in this market has facilitated development of products with optimum and advanced features. This is one of the major factors that drives the growth of this market. With rapid industrialization, noticeable demand from Asian countries such as India and China have arisen. There has been rise in investments in construction and infrastructure development projects in Asia-Pacific. Therefore, Asia-Pacific is considered as a favorable destination for the specialty chemical manufacturers; thereby, boosting the market growth. Whereas, variations in raw material cost and stringent regulations by the government are estimated to hamper the growth of the global specialty chemicals market.

The key players operating in the global specialty chemicals market are BASF SE, Dow, Inc., Bayer AG, Evonik Industries AG, Lanxess AG, Solvay SA, Clariant AG, Huntsman International LLC, Albemarle Corporation, Nouryon, Sumitomo Chemical Company, and Ashland LLC. Other companies in accordance with specialty chemicals market are Henkel Ag & Co. KGAA, Merck & Co., Inc. Sasol Limited, Koninklijke DSM N.V., PPG Industries Inc., 3M, H.B. Fuller, and others.

On the basis of region, Asia-Pacific valued for 36.0% market share, holding the largest market share across all regions. This is attributed to the presence of key developing economies such as China, India, and Japan in this region, which registered the highest market share in the specialty chemicals market in 2017.

In 2020, China was the largest market of specialty chemicals in Asia, accounting for around 38.9% share of the overall market. It was followed by India with 23.1% share of the overall market. The specialty chemical market, especially in India, is expected to exhibit dynamic growth during the forecast period. The Indian specialty chemicals industry is highly fragmented and comprises mainly small- to medium-scale companies. Moreover, the unprecedented increase in the use of water treatment chemicals has fueled the growth of the specialty chemicals industry in India.

Furthermore, improving standards of living in most of the developing countries, trade liberalization, growing demand for electronics, and advancements in process technology are the major factors that boost the growth of the specialty chemical industry. Moreover, rise in urbanization and industrialization in the countries such as China, India, and Japan drives the demand for paints & coatings, which further fuels the demand for construction chemicals, which in turn drives the specialty chemicals market during the forecast period.

The global Specialty chemicals market anticipated to grow at CAGR of 5.0% during the forecast period.

“In India’s leather chemicals market, finishing chemicals segment is projected to witness highest growth during the next five years. This can be majorly attributed to the government’s favorable policy measures to boost exports of finished leather products. Anticipated growth of these specialty chemicals is expected to significantly influence the leather chemicals market during the forecast period”, said Mr. Karan Chechi, Research Director with TechSci Research, a research based global management consulting firm.

“India Leather Chemicals Market Forecast and Opportunities, 2020” has analyzed the potential of the

leather chemicals market and provides statistics and information on market sizes, shares and trends. The report will suffice in providing the intending clients with cutting-edge market intelligence and help them in taking sound investment evaluation. Besides, the report also identifies and analyzes the emerging trends along with essential drivers and key challenges faced by the leather chemicals industry in India.

New product launches, business collaboration and acquisition are the major growth strategies adopted by the players in this market.

The chemical industry has traditionally grown in developed countries of the West and Japan. However, changing market dynamics over the last ten years have resulted in global chemical production, moving to Asia, particularly in China and India. Specialty chemicals, which are consumed by the diverse end product markets, are the key contributors to this changing landscape. It is because the rise in the use of specialty chemicals has led to a higher level of commoditization, thereby compelling manufacturers to focus more on cost reduction.

The Indian chemical sector accounts for 13-14% of total exports and 8-9% of total imports of India. In terms of volume of production, it is the twelfth-largest in the world and the third-largest in Asia. Currently, the per capita consumption of products of the Indian chemical industry is one-tenth of the world average, which reflects the huge potential for further growth. The Indian advantage lies in the manufacturing of basic chemicals that are also known as commodity chemicals that account for about 57% of the total domestic chemical sector.

Specialty Chemical Segment

Some of the key trends observed in the global Specialty chemicals market are growing focus towards pharmaceutical grade Specialty chemicals due to increased emphasis on healthcare activities owing to COVID epidemic.

North America and Asia Pacific regions expected to provide lucrative growth opportunities to the global Specialty chemicals market.

Specialty chemicals are synthetic products used as intermediates to manufacture various products ranging from pharmaceuticals to flavors and essences, and from agro chemicals to detergents. Unlike other chemical products, the specialty chemical segment has greater flexibility, small production volume and vast product categories.

Specialty chemicals are high-value added chemicals used to manufacture a wide range of products, including pharmaceuticals, fine chemicals, additives, advanced polymers, adhesives, sealants, paints, pigments and coatings.

The demand from end-user industries has improved the growth prospects of several specialty chemicals segments in Asia. Currently, the Indian specialty chemicals industry is still at a nascent stage and is expected to grow rapidly over next couple of years as it moves toward higher-quality products and applications, in both industrial and consumer segments.

The demand for environment friendly solutions and stringent emission control legislations has opened up new frontiers especially for the specialty chemical industry. The greater emphasis on energy efficiency and curbing greenhouse emissions has also contributed to demand for specialty

chemical products, such as photovoltaic solar cells, electrode materials, insulating materials and chemicals.

Indian chemical industry - A consistent value creator with a positive outlook

Growth Scenario-

India's chemical story is one of outperformance and promise. A consistent value creator, the chemical industry remains an attractive hub of opportunities, even in an environment of global uncertainty. Worldwide trends affecting the global chemical industry could lead to near-term opportunities for chemical companies in India. How chemical players prioritize and tap this value-creating potential could shape the future of the industry in India as well as the country's trade performance.

India is an attractive hub for chemical companies. The chemical industry is a global outperformer regarding total returns to shareholders (TRS), 1 and this has resulted in high expectations for sustained, continual growth. The macro perspective on India indicates that while the short-term outlook is challenging, the country's long-term-growth story remains positive.

Primarily being regarded as producer of basic chemicals, Indian chemical industry has forged ahead to earn a global repute as a manufacturer of specialty and high value-added chemicals on the back of strong R&D.

With significant labor cost advantages, rising domestic demand in end-user segments, expanding exports fueled by improved export competitiveness, new market opportunities, infrastructure investments along with regulatory reforms and the federal government's fiscal incentives- the growth of the Indian chemical industry is expected to continue.

Until 2014, TRS growth was primarily underpinned by an increase in top line. Over the last five years, the triple effect of margin expansion, an increase in multiples, and continued revenue growth has raised TRS (exhibit).

Between 2006 and 2020, the compound annual growth rate (CAGR) in TRS for India's chemical companies was 15 percent—a figure much higher than the global chemical-industry return, with a CAGR of 8 percent, and the overall global equity market, with a CAGR of 6 percent. Even between 2016 and 2020, when India's economy faced headwinds, the chemical industry maintained a CAGR of 17 percent.

The growth is likely to continue despite the economic challenges that caused India's GDP growth rate to drop to 4.5 percent in the third quarter of 2019. A long-term perspective indicates that India has averaged an annual GDP growth of 7 percent for the last 30 years. The country is also working on becoming a \$5 trillion economy. This long-term optimistic scenario bodes well for chemical companies, especially in light of a long investment cycle. Chemical companies can also benefit from rising domestic demand in chemical end-use sectors, India's attractiveness as a manufacturing destination, 6 and its improved ease of doing business.

Investment opportunities in India

We analyzed India's trade flow in the chemical sector to identify and better understand themes for investment. Chemicals are a significant part of India's overall trade flow, consistently ranking third

in imports and fourth in exports for the past five years.10

Today, India has a chemical trade deficit of \$ 15 billion. Analysis of India's chemical exports and imports, coupled with a review of opportunities emerging from global trends, suggests two themes for investment:

i. Building self-sufficiency in petrochemicals to plug the shortfall of domestic supply of 52 percent (by volume) in petrochemical intermediates: six value chains make up about 77 percent of this shortfall, creating an opportunity worth approximately \$ 11 billion.

li. Ramping up exports in select areas, such as specialty chemicals, to obtain a larger share of global value.

The chemical industry already contributes significantly to India's trade volume. Capturing emerging opportunities in the near term could make a positive difference to India's chemical companies and to the industry overall.

Government Policies and FDI Investments:

Government recognizes Chemical industry as a key growth element of Indian economy. In Chemical Sector, 100% FDI is permissible. Manufacture of most of chemical products is delicensed. The entrepreneurs need to submit only IEM with the DIPP provided no locational angle is involved. Only the following items are covered in the compulsory licensing list because of their hazardous nature.

- Hydrocyanic acid & its derivatives
- Phosgene & its derivatives
- Isocyanates & di-isocyanates of hydrocarbons

Investment policies:

Target to increase the share of manufacturing in GDP to at least 25% by 2025 (from current 16%). Investments in manufacturing in the chemical sector are absolutely essential to ensure growth of the Indian chemical industry.

Government's proposal to set up of a technology up-gradation fund of -USD 80 Mn in the 12th plan for chemicals.

Proposal to establish an autonomous USD 100 Mn chemical innovation fund by securing 10% of the total inclusive national innovation fund set up by the National Innovation Council to encourage commercialization efforts for innovations generating inclusive growth

Opportunities

The Company uses 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. Also today the company is Asia's largest manufacturer and exporter of natural based vegetable tannin extracts and Eco-friendly leather chemicals.

Threats

The market for our product is positive. Over the years the company became a leading supplier of natural tannin materials and Eco-friendly leather chemicals of Indian origin to the international leather industry. Today the company has developed, established and maintained an untarnished

track record of consistently meeting international quality standards.

Risks and Concerns

The Company has endeavored to optimize the use of energy resources and taken adequate steps to avoid wastage and use latest technology and equipment, wherever feasible, to reduce energy consumption.

Human Resource:

Performance measurement is a fundamental principle of the management. The measurement of performance is important because it identifies current performance gaps between current and desired performance and provides indication of progress towards closing the gaps. The Human Resource Department has carefully selected key performance indicators and has taken necessary steps to improve performance of our workforce.

Internal Control System

The Company has in place internal control systems and procedures commensurate with the size and nature of its operations. Internal control processes, which consists of implementing and adopting appropriate management systems, are followed. These are aimed at giving the Audit Committee, reasonable assurance on the reliability of financial reporting, statutory and regulatory compliances, effectiveness and efficiency of the Company's operations. The internal control systems are reviewed periodically and revised to keep in tune with the challenging business environment. Internal audit focuses on control systems, optimum utilization of resources, prevention of frauds, adequacy of information system, security and control and compliance with risk management systems.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company' objectives, projections, estimates, expectations may be "forward- looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include climatic conditions, economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

**For and On behalf of the Board of Directors of
Polson Limited**

**Place: Mumbai
Date: November 13, 2020**

Sd/-

**Chandrakant Gupte
Chairman
DIN: 08019397**

ANNEXURE 'B': MANAGERIAL REMUNERATION

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- a. the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year - 16:84
- b. the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Remuneration (Rs.)		Increase / (decrease) %
		2019-20	2018-19	
Mr. Amol Kapadia	Managing Director	10,800,000	10,800,000	0%
Mr. Sushila Kapadia	Executive Director	-	-	-
Mr. Pravin D. Samant	Executive Director	-	-	-
Mr. Dhau Lambore	Non-Executive Director	-	-	-
Mr. Chandrakant Gupte	Independent Director	-	-	-
Mr. Rajiv Agarwal	Independent Director	-	-	-
Mr. Sanjay Bhalerao	Chief Financial Officer	29,51,463	22,23,980	33%
Mrs. Sampada Sawant	Company Secretary	74,523	4,47,288	-83%

- c. the percentage increase in the median remuneration of employees in the financial year-7%
- d. the number of permanent employees on the rolls of company-55 employees
- e. average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is - 7%.
- f. comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

Name	Designation	Remuneration (Rs.)		Increase / (decrease) %
		2019-2020	2018-2019	
Mr. Amol Kapadia	Managing Director	10,800,000	10,800,000	0%
Mr. Sanjay Bhalerao	Chief Financial Officer (CFO)	29,51,463	22,23,980	33%
Mrs. Sampada Sawant	Company Secretary (CS)	74,523	4,47,288	-83%

- g. the key parameters for any variable component of remuneration availed by the directors-The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for directors, Key Managerial Personnel.
- h. affirmation that the remuneration is as per the remuneration policy of the company-It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management adopted by the Company.

B) Details of the every employee of the Company as required pursuant to 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: There are no employees who

draw remuneration more than Rs. 1,0,200,000/- (Rupees One Crore Two Lakhs) per annum of Rs. 8,50,000/- (Rupees Eight Lakh Fifty Thousand) per month.

- C) Any director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report. (u/s 197)-The Company has not paid any commission to its director and managing director.
- D) The following disclosures are given in the Board of Director's report under the heading "Corporate Governance" attached to the financial statement:—
- (i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
 - (ii) details of fixed component and performance linked incentives along with the performance criteria;
 - (iii) service contracts, notice period, severance fees;
 - (iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

For and On behalf of the Board of Directors of
Polson Limited

Place: Mumbai
Date: November 13, 2020

Sd/-

Chandrakant Gupte
Chairman
DIN: 08019397

ANNEXURE 'C': CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

Operations of the Company are not Energy Intensive. However, the Company has endeavored to optimize the use of energy resources and taken adequate steps to avoid wastage and use latest technology and equipment's, wherever feasible, to reduce energy consumption.

- (i) **The steps taken or impact on conservation of energy:** Energy conservation dictates how efficiently a company can conduct its operations. Polson has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient practices that have reduced the growth environmental pollution and strengthened the Company's commitment towards becoming an environment friendly organization.

The Company continued using Natural Raw Materials like Hirda, Taming 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.

A dedicated "Energy Cell" is focusing on energy management and closely monitor energy consumption pattern across all manufacturing plants.

- (ii) **The steps taken by the company for utilising alternate sources of energy:** The Company does not have alternate sources of energy.

- (iii) **The capital investment on energy conservation equipment's:** -Nil

B) Technology absorption:

- (i) **The efforts made towards technology absorption-**The Company has a Research Laboratory headed by professionals working on new product development for Global and Domestic markets. It undertakes projects in innovative research and technology for new chemicals used by leather industries.

- (ii) **The benefits derived like product improvement, cost reduction, product development or import substitution-** Achieved to capture new clients and develop several new products and derived new advanced process.

- (iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N.A.**

- a. the details of technology imported;
- b. the year of import;
- c. whether the technology been fully absorbed;
- d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

- (iv) **The expenditure incurred on Research and Development.** - During the year the Company has incurred Rs.8,06,782/- on Research and Development.

C) Foreign exchange earnings and Outgo:

Foreign exchange earnings and outgo (including dividend) during the year under review were Rs. 72,90,17,472/- (previous year: Rs. 74,86,24,107/-) and Rs.86,17,039/- (previous year Rs. Rs.4,81,63,583/-) respectively.

For and On behalf of the Board of Directors of
Polson Limited

Place: Mumbai
Date: November 13, 2020

Sd/-

Chandrakant Gupte
Chairman
DIN: 08019397

ANNEXURE 'D': AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis-N.A.

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis-

Name of Related Party & nature of relationship	Nature of contracts /arrangements/ transactions	Transactions value (inRs.)	Duration of Transaction	Salient terms of transactions	Date(s) of approval by the Board, if any	Amount paid as advances, if any
BK Giulini Specialities Pvt Ltd	Sale of goods	23,247,652	During the financial year	The related party Transactions (RPTs) entered during the year was in the ordinary course of business.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the board is not applicable. However, necessary approvals were granted by the Audit committee from time to time. Date of Approval in Board Meeting : 30.05.2019	NA
	Purchase of goods	-				
Atlas Refinery Private Limited	Sale of goods	83,260,424	During the financial year	The related party Transactions (RPTs) entered during	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the board is not applicable. However, necessary approvals were granted by the Audit committee from time to	NA
	Purchase of goods	14,290,665				

				the year was in the ordinary course of business.	time. Date of Approval in Board Meeting : 30.05.2019	
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For and On behalf of the Board of Directors of Polson Limited

Place: Mumbai
Date: November 13, 2020

Sd/-

Chandrakant Gupte
Chairman
DIN: 08019397

ANNEXURE 'E': CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company is not only committee for doing Corporate Social Responsibility but it aimed at creating Corporate Social Value. The CSR vision is enshrined in the 3E's i.e.

- i. Education
- ii. Empowerment of women; and
- iii. Environment and Health

2. The Composition of the CSR Committee.

The Committee of Corporate Social Responsibility comprises of three Directors:

1. Mrs. Sushila J. Kapadia
2. Mr. Amol J. Kapadia
3. Mr. Rajiv G. Agarwal (Independent Director)

3. Average net profit of the company for last three financial years: Rs.1,29,261,597/-

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.25,85,232/-.

5. Details of CSR spent during the financial year.

- (a) Total amount to be spent for the financial year: Rs.25,85,232/-
- (b) Amount Spent: Nil
- (c) Amount unspent- Rs.25,85,232/-

6. Reasons for unspent amount, if any: The Company has identified CSR projects/activities which are under scrutiny near the end of the year. The Company was identifying the proper sources through which the said expense can be directed. The Company shall be spending the CSR amount in the identified areas through the finalized sources.

7. Responsibility Statement: The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Rajiv Agarwal
Chairman of the CSR Committee
DIN: 02105539

Amol J. Kapadia
Managing Director
DIN: 01462032

ANNEXURE 'F': FORM NO. MGT-9**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2020

{Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014}

I. REGISTRATION AND OTHER DETAILS		
i)	CIN	L15203PN1938PLC002879
ii)	Registration Date	21/12/1938
iii)	Name of the Company	Polson Ltd
iv)	Category/Sub -Category of the Company	Public Company/Limited by shares
v)	Address of the Registered Office and contact details	AmbaghatTalluka Shahuwadi Kolhapur Maharashtra-415101 Tel: 022-22626437/39 Fax: 022-22626439
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Pvt. Ltd. Unit no. 9, Shiv Shakti Ind. Estt. J. R. Boricha Marg, Landmark: Behind Delisle Road HP Petrol Pump, Near Lodha Excelus, Lower Parel (E) Mumbai-400 011 Tel: 91-22-2301 2518 / 6761 Email: support@purvashare.com Web: www.purvashare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:-

Sr. No.	Name and Description of main product/services	NIC Code of the product/service*	% to total turnover of the company#
1	Synthetic Organic Tanning Substance	Division 15 NIC Code-99611716	100%

#Manufacturing and selling of Synthetic Organic Tanning Substance

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of Company	Address of Company	CIN	Holding /Subsidiary/Associate	% of Shares held*	Applicable section
1.	AJI Commercial Private Limited	615/616 Churchgate Chambers 5 New Marine Lines Road Churchgate Mumbai-400 020	U51900MH1992PTC066518	Holding	53.62	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	73189	0	73189	60.99%	73189	0	73189	60.99%	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other									
F(i) Director	16802	0	16802	14.00%	16792	0	16792	13.99%	-0.01
Total shareholding of Promoter (A)	89991	0	89991	74.99%	89981	0	89981	74.98%	-0.01
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	55	143	198	0.17%	55	143	198	0.17%	0
c) Central Govt.	65	0	65	0.05	0	0	0	0	0.054167
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	62	62	0.0	0	62	62	0.05	0
Sub-total (B)(1):-	120	205	325	0.27	55	205	260	0.22%	-0.05
2. Non-Institutions									
a) Bodies Corp. & LLP									
i) Indian	826	83	899	0.75	544	83	627	0.52	-0.23
ii) Overseas	0	0	0	0	0	0	0	0	0

b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	14240	12184	26424	22.02	14698	11865	26563	22.14	0.12
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	0	0	0	0	0	0	0	0	0
c) Others (LLP)					12	0	12	0.01	0.01
Non Resident Indians (Repat & Non Repat)	297	142	439	0.37	622	142	764	0.64	0.27
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals									
Clearing Members	301	0	301	0.25	119	0	119	0.10	-0.15
Trusts	0	58	58	0.05	0	58	58	0.05	0
Hindu Un-divided Family	1553	0	1553	1.29	1616	0	1616	1.35	0.05
Sub-total (B)(2):-	17217	12467	29684	24.95	17611	12148	29759	24.8	0.06
Total Public Shareholding (B)=(B)(1)+ (B)(2)	17337	12672	30009	25.01	17666	12353	30019	25.02	0.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	10732 81	12672	120000	100	10764 7	12353	120000	100	0

ii. Shareholding of Promoters:

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total	NO of shares	% of total shares of the company	% of shares pledged encumbered to total	

				shares			shares	
1	AJI Commercial Private Limited	64339	53.62	0	64339	53.62	0	0
2	Sushila Jagdish Kapadia	11222	9.35	0	11222	9.35	0	0
3	Oriental Pharmaceutical Industries Limited	8849	7.37	0	8849	7.37	0	0
4	Amol Jagdish Kapadia	5580	4.65	0	5570	4.64	0	-0.01
5	New Commerical Mills Co Ltd	1	0.00	0	1	0.00	0	0
	TOTAL	89991	74.99	0	89981	74.98	0	0

iii. Change in Promoter's Shareholding-Mr. Amol Kapadia has transferred 10 shares during the financial year.

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	AJI Commercial Private Limited	64339	53.62	0	64339	53.62	0	0
2	Sushila J. Kapadia	11222	9.35	0	11222	9.35	0	0
3	Oriental Pharmaceuticals Industries Limited	8849	7.37	0	8849	7.37	0	0
4	Amol Kapadia	5580	4.65	0	5570	4.64	0	0.01
5	New Commercial Mills Co. Ltd	1	0	0	1	0	0	0
	TOTAL	89991	74.99	0	89981	74.98	0	0

IV. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding during the year	
		No. of	% of total	No. of	% of total

		shares	shares of the company	shares	shares of the company
1	Mehta Vijay Bharatbhai HUF				
	Opening Balance	923	0.77%	923	0.77%
	Changes during the year	-	-	-	-
	Closing Balance	923	0.77%	923	0.77%
2.	Manikchand Deomansa Kanhed				
	Opening Balance	273	0.23%	107	0.09%
	Changes during the year	-	-	-	-
	Buy/ (Sell)	166	0.14%	-	-
	Closing Balance	107	0.09%	107	0.09%
3	Ankita Vishal Shah				
	Opening Balance	250	0.21	150	0.12
	Changes during the year	-	-	-	-
	Buy/ (Sell)	100	0.12	-	-
	Closing Balance	250	0.21	150	0.12
4	Patel Rajendrakumar Ramanlal				
	Opening Balance	23 5	0.20	235	0.20
	Changes during the year	-	-	-	-
	Closing Balance	235	0.20	235	0.20
5	Drarayas Minoos Mistry				
	Opening Balance	225	0.19	225	0.19
	Changes during the year	-	-	-	-
	Closing Balance	225	0.19	225	0.19
6	Vikas Agarwal				
	Opening Balance	202	0.17	0	0
	Changes during the year	-	-	-	-
	Buy/(Sell)	202	0.17	-	-
	Closing Balance	202	0.17	0	0
7	Nikunj Kaushik Shah				
	Opening Balance	200	0.17	150	0.12
	Changes during the year	-	-	-	-
	Buy/(Sell)	50	0.05	-	-
	Closing Balance	150	0.12	150	0.12
8	PrakashChandra Shubhkaran Seksaria				
	Opening Balance	200	0.17	200	0.17
	Changes during the year	-	-	-	-
	Closing Balance	200	0.17	200	0.17

9	Atithi Dealers Private Limited				
	Opening Balance	200	0.17	200	0.17
	Changes during the year	-	-	-	-
	Closing Balance	200	0.17	200	0.17
10	Navel Nadirshah Mulla				
	Opening Balance	200	0.17	200	0.17
	Changes during the year	-	-	-	-
	Closing balance	200	0.17	200	0.17

v) Shareholding of Directors and Key Managerial Personnel

SN	For Each of the Top 10 Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Directors				
1	Sushila Kapadia				
	Opening Balance	11222	9.35%	11222	9.35%
	Changes during the year	-	-	-	-
	Closing Balance	11222	9.35%	11222	9.35%
2	Amol Kapadia				
	Opening Balance	5580	4.65%	5570	4.64%
	Changes during the year	-	-	-	-
	Buy /(Sell)	(10)	0.01		
	Closing Balance	5570	4.64%	5570	4.64%

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	69,08,19,295	-	-	69,08,19,295
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	69,08,19,295			69,08,19,295

Change in Indebtedness during the financial year				
* Addition	7,57,16,624	-	-	7,57,16,624
* Reduction	11,39,75,493	-	-	11,39,75,493
Net Change	11,39,75,493	-	-	11,39,75,493
Indebtedness at the end of the financial year				
i) Principal Amount	65,25,60,426	-	-	65,25,60,426
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	65,25,60,426	-	-	65,25,60,426

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD	Total Amount
1	Gross salary	Amol Kapadia	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,00,000 p.m.	9,00,000 p.m.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify..	Nil -	Nil
5	Others, please specify	Nil	Nil
	Total (A)	9,00,000 p.m.	9,00,000 p.m.
	Ceiling as per the Act	5% of Net Profit of the Company	5% of Net Profit of the Company

B. Remuneration to other directors- Company does not paid any remuneration including sitting fees to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee	-	-	-	-	-
	Meetings					
	Commission	-	-	-	-	-
	Others, please specify	-	-	--	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-

Fee for attending board committee meetings	-	-	-	-	-
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
Total (B)=(1+2)	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act	-	-	-	--	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD-

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS Mrs. Sampada Sawant	CFO Mr. Sanjay Bhalerao	Total
1	Gross salary	-	Rs. 74,523	Rs. 29,51,463	Rs. 30,25,986
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	Others (Consultancy Fees)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total		Rs. 74,523	Rs. 29,51,463	Rs. 30,25,986

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
NIL					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
NIL					
Penalty					
Punishment					

Compounding					
C. OTHER OFFICERS IN DEFAULT		NIL			
Penalty					
Punishment					
Compounding					

For and On behalf of the Board of Directors of
Polson Limited

Place: Mumbai
Date: November 13, 2020

Sd/-

Chandrakant Gupte
Chairman
DIN: 08019397

ANNEXURE 'G'- FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Polson Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Polson Ltd** (“**the Company**”) Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- i. The Companies Act, 2013 (“the Act”) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made there under;
- iii. The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”);
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015-Not applicable during the period under review.
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the period under review, and**

- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 -**Not Applicable during the period under review.**
- vi. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

We have also examined compliance with the applicable clauses of following:

- (i) the Secretarial Standards issued by The Institute of Company Secretaries of India (“ICSI”);
- (ii) The Listing Agreement entered into by the Company with Stock Exchange(s).

To the best of our knowledge and belief, during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- a) During the year under review, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The committee of the Board is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent adequately in advance as deem fit to the Board and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members’ views are captured and recorded as part of the minutes, wherever applicable.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year;

- a. *The company has not maintained Fixed Asset Register properly.*
- b. *The Company has not maintained its website properly as required under Regulation 46 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015;*
- c. *The Company has not spent any expenditure toward CSR activities as per prescribed items falling under Schedule VII of the Companies Act, 2013.*
- d. *Bombay Stock Exchange(vide) its letter LIST/COMP/Reg.27(2) & Reg.17 to 21/Dec-19/507645/283/2019-20 dated February 03,2020 has levied penalty of Rs. 2,17,120/- (Rupees Two Lac Seventeen Thousand One Hundred Twenty Only) for Non-Compliance of constitution of Nomination and Remuneration Committee(NRC). As informed to us, the Company has filed relevant reply along with all the supporting documents with the Stock Exchange. The Company is yet to receive response from the Stock Exchange for the same.*

We further report that during the audit period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For Mihen Halani & Associates
Practicing Company Secretaries

Date: November 21, 2020
Place: Mumbai
UDIN : F009926B001338154

Mihen Halani
Proprietor
FCS No: 9926
C.P. No.: 12015

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

APPENDIX A

To,
The Members,
Polson Limited.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mihen Halani & Associates
Practicing Company Secretaries

Date: November 21, 2020
Place: Mumbai
UDIN : F009926B001338154

Mihen Halani
Proprietor
FCS No: 9926
C.P. No.: 12015

REPORT ON CORPORATE GOVERNANCE

The Directors' Report on the compliance of the Corporate Governance Code is given below:

A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company subscribes fully to the principles and spirit of sound Corporate Governance and embodies the principles of fairness, transparency, accountability and responsibility into the value systems driving the Company. The Company is committed to attain high standards of Corporate Governance by ensuring integrity in financial reporting, disclosure of material information, continuous improvements of internal controls and sound investor relations. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder's value over a sustained period of time. The Company has implemented the mandatory requirement of Corporate Governance as set out under Part C of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

B) BOARD OF DIRECTORS:

a. The Company has a balanced Board with combination of Executive, Non-Executive and Independent Directors to ensure independent functioning and the composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Act.

b. During the year, the Board of the Directors met 8 (Eight) times viz. on May 30, 2019; July 17, 2019; August 14, 2019, August 31, 2019, November 14, 2019; January 14, 2020; February 13, 2020 and March 12, 2020.

c. The details of composition of Board of Directors, categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2020 are given herein below.

Name of Director	Category	No of shares held	Particulars of Attendance		No. of Directorships in other Public Companies		No. of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
			Last AGM	Board Meeting	Chairman	Member	Chairman	Member	
Mr. Amol Kapadia	Promoter, Managing Director	5570	Yes	8	2	2	-	-	-
Mrs. Sushila Kapadia	Executive Woman Director, Promoter	11222	Yes	7	1	2	-	-	-
Mr. Pravin	Executive	0	Yes	8	-	-	-	-	-

Samant	Professional Director								
Mr. Dhau Lambore	Non-Executive Non-Independent Director	0	Yes	8	-	-	-	-	-
Mr. Chandrakant Gupte	Independent	0	Yes	8	-	-	-	-	-
Mr. Rajiv Agarwal	Independent	0	Yes	8	-	-	-	-	-

Other directorships do not include Directorship in Polson Limited and directorships of private limited companies, foreign companies, companies registered under Section 8 of the Act and Alternate Directorships. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

- e. It is hereby confirmed that in the opinion of the Board, the independent directors fulfill the conditions specified in SEBI (Listing Obligations & Disclosure Requirements), 2015 and are independent of the management.
- f. Mr. Abhay Bhalerao, an Independent Director has vacated the position of directorship during the financial year i.e. on June 11, 2019.
- g. Mr. Sudhir Nevatia, an Independent Director showed his unwillingness to be re-appointed as an Independent Director in the Annual General Meeting which was held on September 27, 2019.
- h. Further, there is no Inter-se relation between the Directors except Sushila Kapadia & Amol Kapadia (The Relationship between them are Mother and Son).

Independent Directors' Meeting

During the year under review, the Independent Directors met on 28.02.2020, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

Familiarisation Programme for Independent Directors

All new independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are available on our website

(<https://www.polsonltd.com/investor.html>). Further at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities.

Matrix of Skills required

The Board of the Company is structured having requisite level of education/qualifications, professional background, sector expertise, special skills, nationality and geography. The Board after taking into consideration the Company’s nature of business, core competencies and key characteristics has identified the following core skills/ expertise/ competencies as required in the context of its business(es) & sector(s) for it to function effectively and which are currently available with the Board.

The names of the listed entities where the person is a director and the category of directorship and matrix of the skills/expertise/ competence identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board and directors who have such skills / expertise / competence. Details of members of the Board are given below:

Sr. No	Name of Directors	Skills/expertise/competence	Category	Name of the other Listed entities where the person is a Director	Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure(as applicable)
1.	Mr. Amol Kapadia	Leadership / Operational experience Strategic Planning Industry Experience, Innovation Global Business Financial, Regulatory / Legal & Risk Management Corporate Governance	Non-Independent	-	-
2.	Mrs. Sushila Kapadia	Active Social Worker and handles Corporate Social Responsibility for Company	Non-Independent	-	-
3.	Mr. Abhay Bhalerao	Research and development and innovation in software designs	Independent	-	Due to attraction of disqualification u/s 164(2) of the Companies Act,2013
4.	Mr. Sudhir Nevatia	Strategic Planning Industry Experience, Innovation , Corporate Governance	Independent	-	-
5.	Mr. Pravin Samant	Strategic Planning Industry Experience, Innovation , Corporate Governance	Non-Independent	-	-
6.	Mr. Chandrakant Gupte	Income Tax related matters	Independent	-	-
7.	Mr. Rajiv Agarwal	Strategic Planning Industry Experience, Innovation , Corporate Governance	Independent	-	-
8.	Mr. Dhau Lambore	Strategic Planning Industry Experience, Innovation ,	Non-Independent	-	-

		Corporate Governance			
--	--	----------------------	--	--	--

The independent directors who resigned, has confirmed that that there is no other material reason other than those provided in the resignation letter submitted to the Company. A copy of familiarization policy of the company for independent directors is available on the website of the company <http://www.polsonltd.com>. Further, the independent directors fulfill the conditions specified in the SEBI LODR Regulations and are independent of the management.

C) COMMITTEES OF THE BOARD:

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings.

a) Audit Committees - (Re-Constituted on 31.08.2019)

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The terms of reference of the committee are as stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 177 of the Companies Act, 2013.

The Audit Committee met five times in financial year on May 30, 2019; August 14, 2019, August 31, 2019; November 14, 2019 and February 13, 2020. The necessary quorum was present for all the meetings.

The composition of the Committee during year ended March 31, 2020 and the details of meetings held and attended by the Directors are as under:

Name	Category	Position	Number of meetings during year ended March 31, 2020	
			Held	Attended
*Mr. Sudhir Nevatia	Independent Non-Executive	Chairman	5	3
Mr. Rajiv Agarwal	Independent Non-Executive	Chairman	5	5
#Mr. Abhay Bhalerao	Independent, Non-Executive	Member	5	1
Mr. Amol Jagdish Kapadia	Executive	Member	5	5
Mr. Chandrakant Vinayak Gupte	Independent Non-Executive	Member	5	4

* Mr. Sudhir Nevatia, an Independent Director showed his unwillingness to be re-appointed as an Independent Director in the Annual General Meeting which was held on September 27, 2019.

Mr. Abhay Bhalerao has vacated the position of directorship during the year i.e. on June 11, 2019.

b) Nomination and Remuneration Committee (NRC)

The nomination and remuneration committee comprises of three non -executive Directors majority of which are Independent Directors. The term of reference of the committee are in line with the requirements of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 2015 which broadly includes to recommend appointment of, and remuneration to Managerial Personnel and review thereof from time to time; determining criteria for evaluation of Directors, Board Diversity, etc.

The Nomination and Remuneration Committee met one time in financial year on March 12, 2020. The composition of the Committee during year ended March 31, 2020 and the details of meetings held and attended by the Directors are as under:

Name	Category	Position	Number of meetings during the year ended March 31, 2020	
			Held	Attended
Mr. Rajiv Agarwal	Independent Non-Executive	Chairman	1	1
*Mr. Abhay Bhalerao	Independent Non-Executive	Member	0	0
Mr. Chandrakant Gupte	Independent Non-Executive	Member	1	1
#Ms. Sushila Kapadia	Executive Director	Member	0	0
#Mr. Dhau Lambore	Non-Executive, Non-Independent Director	Member	1	1
^Mr. Sudhir Nevatia	Independent Non-Executive	Member	0	0

*During financial year Mr. Abhay Bhalerao has vacated the position of directorship w.e.f. June 11, 2019.

Due to change in designation of Ms. Sushila Kapadia from Non-Executive, Non-Independent Director to Executive Director and Mr. Dhau Lambore from Non-Executive, Non-Independent Director from Executive Director, Nomination and Remuneration Committee was re-constituted in the Board Meeting held on March 13, 2020.

^Sudhir Nevatia, an Independent Director showed his unwillingness to be re-appointed as an Independent Director in the Annual General Meeting which was held on September 27, 2019.

Accordingly, committee was reconstituted in the Board Meeting held on March 12, 2020.

c) Stakeholders' Relationship Committee (SRC)

The Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Committee periodically reviews the status of Shareholders' Grievances and Redressal of the same.

The Committee met Three times in financial year on May 30, 2019; November 14, 2019 and February 13, 2020. The necessary quorum was present for all the meetings.

The composition of the Committee during year ended March 31, 2020 and the details of meetings held and attended by the Directors are as under:

Name	Category	Position	Number of meetings during year ended March 31, 2020	
			Held	Attended
Mr. Amol Kapadia	Non-Independent & Executive	Member	3	1
*Mr. Abhay Bhalerao	Independent, Non-Executive	Member	3	1
Mr. Rajiv Agarwal	Independent Non-Executive	Member	3	3
Mr. Chandrakant Gupte	Independent Non-Executive	Chairman	3	2
Mr. Dhau Lambore	Non-Executive, Non-Independent Director	Member	3	2
#Mr. Sudhir Nevatia	Independent Non-Executive	Member	3	0

*During the financial year Mr. Abhay Bhalerao has vacated the position of directorship w.e.f. June 11, 2019.

#Sudhir Nevatia, an Independent Director showed his unwillingness to be re-appointed as an Independent Director in the Annual General Meeting which was held on September 27, 2019.

Accordingly, committee was reconstituted in the Board Meeting held on July 17, 2019.

In accordance with Regulation 40(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board has authorised Mrs. Sampada Sawant, Company Secretary and Compliance Officer, to severally approve share transfers/transmissions, in addition to the powers with the members of the SRC. Share Transfer formalities are regularly attended to at least once a fortnight.

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year are as under:

Opening	Complaints Received	Complied	Pending
Nil	Nil	Nil	Nil

None of the complaints is pending for a period exceeding 30 days. All the requests for transfer of shares have been processed on time and there are no transfers pending for more than 15 days.

Over and above the aforesaid complaints, the Company and its Registrar & Share Transfer Agent have received letters / queries / requests on various matters such as change of address, change of bank particulars, ECS mandate, nomination request etc. and

We are pleased to report that all the complaints have been solved to the satisfaction of Shareholder and there are no pending complaints. All queries / requests have been replied on time.

Mrs. Sampada Sawant, Company Secretary is the Compliance officer

d) Corporate Social Responsibility (CSR) Committee -

Pursuant to Section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted a “Corporate Social Responsibility Committee comprising three Directors including Mr. Rajiv Agarwal, Independent, Non-Executive Director - Mrs. Sushila Kapadia (Chairman) and Mr. Amol J. Kapadia.

Committee of the Board shall consist three or more Directors, out of at least one director shall be an Independent Director.

The broad terms of reference of the Corporate Social Responsibility (CSR) Committee are:

- Formulate, monitor and recommend to the Board, the CSR Policy
- Recommend to the Board, modifications to the CSR Policy as and when required
- Recommend to the Board, the amount of expenditure to be incurred on the activities undertaken
- Review the performance of the Company in the area of CSR including the evaluation of the impact of the Company’s CSR activities
- Review the Company’s disclosure of CSR matters
- Consider other functions, as defined by the Board, or as may be stipulated under any law, rule or regulation including the listing agreement, and the Companies Act, 2013.

The Committee members met once during the financial year 2019-20 on February 13, 2020. The composition of the Committee as on March 31, 2020 is as follows:

Name	Category	Position	Number of meetings during the year ended March 31, 2020	
			Held	Attended
Mr. Rajiv Agarwal	Independent Non-Executive	Chairman	1	1
Mr. Amol J. Kapadia	Non-Independent, Executive	Member	1	1
Ms. Sushila Jagdish Kapadia	Non-Independent, Executive	Member	1	1

The CSR Policy devised in accordance with Section 135 of the Companies Act, 2013 and the details about the development of CSR Policy and initiatives taken by the Company on CSR during the year as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 have also been appended as an Annexure to the Directors Report.

The activities undertaken by the Company pursuant to the CSR Policy have been outlined in the Corporate Sustainability Initiatives Report published elsewhere in this Annual Report.

D) REMUNERATION OF DIRECTORS:

(a) Pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity:

There are no pecuniary relationships or transaction with the non-executive Directors.

(b) Criteria of making payments to non-executive directors

The Company has not paid any remuneration nor does it pays sitting fees to Non-Executive Directors.

(c) Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:

(i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits: The Company does not make payment to its Non-executive directors, No sitting fees are paid to directors for attending meeting.

(ii) Bonuses, stock options, pension etc : The Managing Director is paid remuneration as approved by Nomination and Remuneration Committee and members in the General Meeting.

(iii) Details of fixed component and performance linked incentives, along with the performance criteria: Fixed salary is paid to the managing director.

(iv) Service contracts, notice period, severance fees: **Not Applicable.**

(v) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: No stock options has been granted to any Directors.

E) GENERAL BODY MEETINGS:

(i) Annual General Meeting (AGM):

The location, time and venue of the last three Annual General Meetings were as under:

Meeting	Date and Time Venue	Special resolutions passed
76 th Annual General Meeting	Friday, September 29, 2017 at ChitraKuti at Ambaghat Vishalgad, Taluka-Shahuwadi dist. Kolhapur-415 1010 at 11.30 a.m.	1. Re-appointment of Mr. Amol Kapadia as a Managing Director of the Company for a period of 5 years w.e.f April 01, 2017 and fix remuneration.
#77 th Annual General Meeting	#Saturday, September 29,2018 at ChitraKuti at Ambaghat Vishalgad, Taluka-Shahuwadi dist. Kolhapur-415 1010 at 10.00 a.m.	1. Appointment of Mr. Chandrakant Gupte (Din 08019397) as an Independent Director for the Five years. 2. Ratification and Approval of Related Party Transaction. Approval of Related Party Transaction.

78 th Annual General meeting	Friday, September 27, 2019 at ChitraKuti at Ambaghat Vishalgad, Taluka-Shahuwadi dist. Kolhapur-415 1010 at 10.00 a.m.	Nil
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#77th Annual General Meeting was adjourned due to lack of quorum and rescheduled on Saturday, September 29, 2018.

(ii) **Extra Ordinary General Meeting (EGM):**

No Extra Ordinary General Meeting held during the year.

In compliance with the law, all the members were given an option to vote through electronic means on all the resolutions of the Notice using the CDSL platform. The Company had also provided for ballot form (in lieu of e-voting) to shareholders who do not have access to e-voting. The approval of the equity shareholders at the above meeting was sought by conducting Polls as per the provisions of the Companies Act, 2013. The Board of Directors has appointed Mr. Mihen Halani, Practicing Company Secretary in whole time practice as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(iii) **Postal Ballot:**

During the year the Company has not passed any resolutions through postal ballot during.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

F) MEANS OF COMMUNICATION:

The Company promptly discloses information on material corporate developments and other events as required under Listing Regulations. Such timely disclosures are an indicator of the Company's good corporate governance practices. The Company promptly discloses information on material corporate developments and other events as required under Listing Regulations.

Such timely disclosures are an indicator of the Company's good corporate governance practices.

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in The Financial Express and Mumbai lakshadeep. These results are simultaneously posted on the website of the Company at www.polsonltd.com and also uploaded on the website of the Bombay Stock Exchange of India Ltd.

G) GENERAL INFORMATION TO SHAREHOLDERS:

1. Annual General Meeting (AGM)

Date	December 24, 2020
Day	Thursday
Time	12.30 p.m.
Venue	Annual General Meeting (AGM) to be conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

2. Financial Year:

Financial Year - 1st April, 2019 to 31st March, 2020.

3. Book Closure date: Friday 18th December, 2020 to Thursday 24th December, 2020.

4. Dividend Payment Date: No dividend is recommended for the financial year.

5. Listing on Stock Exchange:

The Equity Shares of the Company are listed on **Bombay Stock Exchange Limited (BSE)**, Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400 001.

The Company has paid listing fees to the exchange and has complied with the listing requirements. The Company has also paid annual custodian fee for the year under review to NSDL & CDSL.

6. Stock Code:

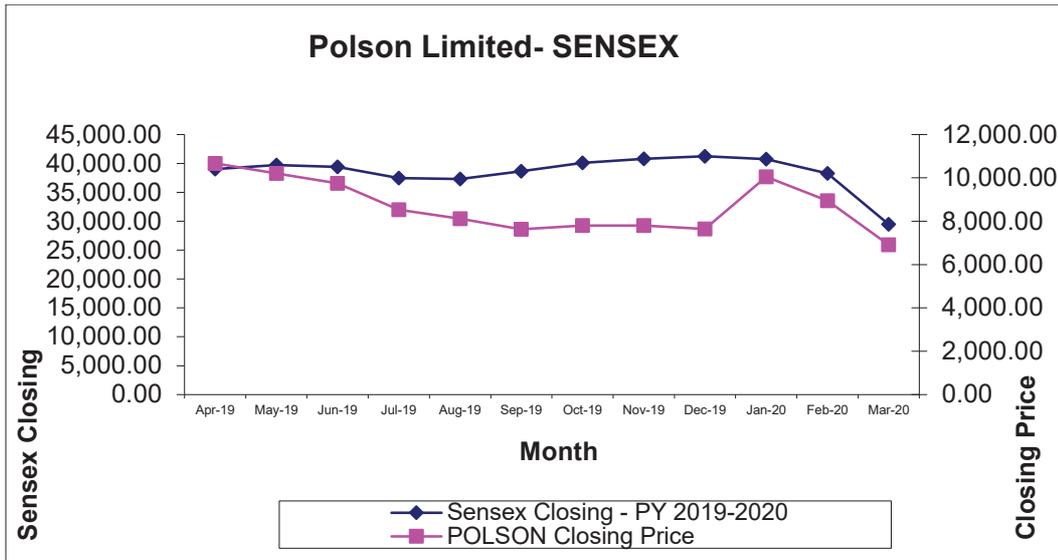
Stock Exchange	Code
BSE	507645
Demat ISIN Numbers in NSDL and CDSL	INE339F01021
CIN	L15203PN1938PLC002879

7. Market Price Data:

The high / low market price of the shares during the year ended March 31, 2020 at the Bombay Stock Exchange were as under:-

Month	Bombay Stock Exchange (Face Value of Rs. 50/- Per Share)	
	High	Low
April 2019	11560.00	10306.00
May 2019	10900.00	9900.00
June 2019	10550.00	9601.10
July 2019	9840.00	8250.00
August 2019	9370.00	7250.00
September 2019	8350.00	7620.00
October 2019	8090.00	7240.05
November 2019	8469.00	7700.30
December 2019	7987.00	7230.05
January 2020	12274.00	7555.55
February 2020	11240.00	8910.00
March 2020	9530.00	6200.00

8. Performance in comparison to Bombay Stock Exchange Limited SENSEX



9. Registrar and Share Transfer Agents:

M/s. Purva Sharegistry (India) Private Limited

Unit No. 9, Shiv Shakti Ind. Estt. J. R. Boricha Marg, Landmark: Behind Delisle Road HP Petrol Pump Near Lodha Excelus, Lower Parel (East) Mumbai-400 011

Email ID: purvashr@gmail.com, support@purvashare.com

10. Investor's Complaints to be addressed to:

Registrar and Share Transfer Agents at the above mentioned addresses.

11. Share Transfer System:

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects. However, SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, amended Regulation 40 of the SEBI Listing Regulations pursuant to which from 1st April, 2019, onwards securities can be transferred only in dematerialized form. It is also clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors.

12. Distribution of Shareholding as on March 31, 2020 is as under:

Category	Shareholders		Face Value of Rs. 50/- Per Share	
	Numbers	% of shareholders	Amount (Rs.)	% of Amount
1 - 5000	3889	99.31	1281700	21.36
5001 - 10000	19	0.49	136400	2.27
10001 - 20000	3	0.08	36750	0.61
20001-30000	0	0	0	0
30001-40000	0	0.00	0	0
40001-50000	1	0.03	46150	0.77
50001-100000	0	0.00	0.00	0.00
100000 and above	4	0.10	4499000	74.98
TOTAL	3916	100.00	6000000	100.00

13. Dematerialization of Shares and Liquidity:

About 89.70% of total equity share capital is held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on March 31, 2020.

The break-up of Equity shares held in physical and Demat form as on March 31, 2020 is given below:

Particulars	Shares	%
Physical Shares	12,353	10.29
Demat Shares		
NSDL	1,00,137	83.44
CDSL	7,510	6.26
Total	120,000	100

For any assistance in converting physical shares in electronic form, investors may approach Registrar and Share Transfer Agents at the above mentioned addresses.

14. Outstanding GDRs or Warrants or any Convertible Instrument, conversion Dates and likely impact on Equity: N.A

15. Commodity price risk or foreign exchange risk and hedging activities;- N.A.

16. Registered Office & Plant Location:

Ambaghat Vishalgad, Taluka-Shahuwadi,
Dist. Kolhapur, Kolhapur-415 101, Maharashtra

17. Addresses for Correspondence

Investor's Correspondence:

M/s. Purva Sharegistry (India) Private Limited
Unit No. 9, Shiv Shakti Ind. Estt. J. R. Boricha Marg,
Landmark: Behind Delisle Road HP Petrol Pump Near Lodha Excelus,
Lower Parel (East) Mumbai-400 011
Email ID: busicomp@vsnl.com, support@purvashare.com

Any query on Annual Report:

Polson Limited
Corporate Office:
615/616 Churchgate Chambers
5, New Marine Lines Road
Churchgate Mumbai-400 020
Email ID: compliance@polsonltd.com

17. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.-Not Applicable.

18. Compliance Officer:

Mrs. Sampada Sawant, Company Secretary
615/616 Churchgate Chambers, 5 New Marine Lines Road,
Churchgate Mumbai-400 020
Tel. No: 022-22626439 Fax : 022-22626437

Email ID: compliance@polsonltd.com

OTHER DISCLOSURES

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;

There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. during the financial year, that may have potential conflict with the interests of the Company at large.

Transactions with related party are disclosed in the Notes forming part of the financial statements.

The company policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed on company's website and a weblink thereto is www.polsonltd.com.

b) details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years; -

There was no non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

(c) Vigil Mechanism / Whistle Blower Policy:

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a Fraud Risk Management Policy (FRM) to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

The Board of Directors of the Company has adopted a Whistle Blower Policy for establishing a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said policy has been posted on the Company's internet site. The Company affirms that no employee has been denied access to Audit Committee.

A copy of the policy is displayed on the website at www.polsonltd.com.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the company is also complied with Corporate Governance Requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS:

The company has complied with the following discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) Shareholder Rights

The Company posts the quarterly, half yearly and annual financial results on its website www.polsonltd.com

ii) Audit qualifications

During the financial year under review, there are some audit qualifications in the Company's financial statements on which directors have given their comments. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

iii) The Board of Directors

The Company's Board of Directors comprise of professionals with expertise in their respective fields and industry. They Endeavour to keep themselves updated with changes in the economy, legislation and technologies.

iv) Mechanism for evaluation of Non-Executive Board Members (NEDs)

The Board of Directors of the Company, at present, comprises three NEDs. The Directors appointed from diverse fields which are relevant to the Company's business and they have long standing experience and experts in their respective fields. They have gained considerable experience in managing large corporate and have been in public life for decades. The enormously rich and diverse background of the directors is of considerable value to the Company.

The NED's add substantial value through discussions and deliberations at the Board and Committee Meetings. Besides contributing at the Board and Committee meetings, the NED's also have detailed deliberations with the Management Team and add value through such deliberations.

v) Reporting of Internal Auditor

The internal auditor of the Company report directly to the audit committee.

(e) Disclosures from key managerial personnel and senior management

The Board has received disclosures from key managerial personnel and senior management relating to material financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

(f) Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(g) MD/CEO/CFO Certification:

The MD and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

(h) Certificate from Practicing Company Secretary regarding disqualification of Directors:

The Company Has availed a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

(i) Half Year Certificate (Regulation 40):

The Company has obtained and filed with the stock exchanges, the half yearly certificates received from M/s. Miheh Halani & Associates, Practicing Company Secretaries for due compliance with shares transfer formalities as required under Regulation 40 of the SEBI LODR Regulations.

(j) Compliance with Code of Conduct:

A Declaration signed by the managing Director stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management has been annexed to the Annual report.

(k) Total Payment to Auditor:

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is detailed below:

Particulars	Amount (IN Rupees)
Paid to statutory Auditor	9,00,000 (Total)
Statutory Audit	7,50,000
Income Tax Audit	1,50,000
Certification fees	-
To other entities in the same network	-

(l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year - NIL
- b. number of complaints disposed of during the financial year- NIL
- c. number of complaints pending as on end of the financial year.-NIL

(m) Policy for determining material subsidiary:

The Company has adopted policy for determining material' subsidiary and the same can be accessed on the following link-www.polsonltd.com

(n) disclosure of commodity price risks and commodity hedging activities: N.A.

(o). Disclosures of shares held in demat suspense account/ unclaimed suspense account under Clause F of Schedule V to the SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015.: Nil

(1) The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; Nil
- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year; Nil
- (c) number of shareholders to whom shares were transferred from suspense account during the year; Nil
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; Nil
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. Nil

**DECLARATION REGARDING COMPLIANCE BY THE BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

In accordance with Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the senior management personnel of the Company have confirmed compliance with the Code of conduct for the financial year ended March 31, 2020.

Place: Mumbai
Date: November 13, 2020

Amol Kapadia
Managing Director
DIN: 01462032

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of Polson Ltd
CIN: L15203PN1938PLC002879

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Polson Ltd having CIN L15203PN1938PLC002879 and having registered office at Ambaghat talluka, Shahuwadi, Kolhapur, MH-415101, IN (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Place: Mumbai
Date: November 21, 2020
UDIN: F009926B001338231

Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

MD/CFO Certification

The Board of Directors
Polson Ltd.

We have reviewed the financial statements and the cash flow statement of **M/s. Polson Ltd.** for the year ended 31st March, 2020 and that to the best of our knowledge and belief, we state that;

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) we have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year.
 - (ii) significant changes, if any, in accounting policies made 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 we 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.

Yours sincerely,

Sd/-
Sanjay Bhalerao
Chief Financial Officer

Sd/-
Amol Kapadia
Managing Director

Place: Mumbai
Date: November 13, 2020

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors
POLSON LTD

To,
The Members of POLSON LTD

We have examined the compliance of conditions of Corporate Governance by POLSON LIMITED ("the Company") for the year ended on March 31, 2020, as per the relevant provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015. ("SEBI Listing Regulations")

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of the 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, and the representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the Financial Year ended March 31, 2020.

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 MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Place: Mumbai
Date: November 26, 2020
UDIN: F009926B001379393

Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

R G B & ASSOCIATES
CHARTERED ACCOUNTANTS

Office No. 203 & 207, Mint Chambers, 45/47 Mint Road, Opp GPO, Fort, Mumbai - 400 001

☎ 91-22-2265 0430, 4005 8971. E-mail: office@rgbca.com

INDEPENDENT AUDITORS' REPORT

To the Members of;

POLSON LIMITED

Report on the Audit of standalone financial statements

Opinion

We have audited the accompanying Standalone Financial Statements of Polson Limited (“the Company”) which comprises the Balance Sheet as at March 31, 2020, the Statement of profit and loss and Statement of cash flows for the year then ended, and Notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report -

Sr. No.	Key Audit Matters	Procedure Performed / Auditors Response
1	<p>Revenue Recognition</p> <p>The Company is engaged in the business of Manufacturing of Leather Chemicals. The other income comprises of Rent Received, Interest on Deposits Etc. The incomes are recognized on timely basis & only upon there is no uncertainty as to its measurability or collectability.</p>	<p>We have verified the process to identify the impact of the new revenue accounting standard. After reviewing the same we inform that there is no material impact of new revenue accounting standard and the Company can continue with its existing accounting practice.</p> <p>Performed confirmation procedures & obtained the same.</p>
2	<p>Appropriateness of Current and Non-Current Classification</p>	<p>For the purpose of current & non-current classification the Company has considered its normal operating cycle as 12 Months and the same is based on services provided, acquisition of assets or inventory, their realization in cash and cash equivalents. The classification is either done on basis of documentary evidence and if not then on the basis of managements best estimate of period in which asset would be realized or liability would be settled.</p>

Information other than the standalone financial statements and Auditors’ report thereon (“Other Information”)

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Other Matters

Further to the continuous spreading of COVID -19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020, across India to contain the spread of the virus. This has resulted in restrictions on a physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, certain audit procedures were carried out based on remote access of the data as provided by the management. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable, and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users & stakeholders that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of the Company of which we are the independent auditors. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - e. on the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'.
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 1. The Company has disclosed the impact of the pending litigations, if any on its standalone financial position in the standalone financial statements- Please refer Note 33 to the Standalone Financial Statements.

- II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - IV. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.
3. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

FOR R G B & ASSOCIATES.
Chartered Accountants
FRN No. 144967W

Date : 31/07/2020
Place: Mumbai
UDIN:20144749AAAABJ4488

Bharat R. Kriplani
Partner
Mem. No. 134969

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors Report of even date]

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

(i) In respect of its Fixed Assets:

- a) The Company has not maintained proper records of fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.
- c) According to information and explanations given to us, title deeds of immovable properties are held in the name of the Company. However, we were unable to verify the title deeds of immovable properties held by the Company during the course of our Audit, as the Company has not maintained the Fixed Asset Register.

(ii) In respect of its Inventories:

According to information and explanation given to us, the inventory has been physically verified by the management at regular intervals during the year. Few discrepancies were noticed on physical verification of inventory as compared to book records and the same has been properly dealt with in the books of accounts.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, this point is not applicable to the Company.

With exception to above there are few transactions with the parties as covered u/s. 189 of the Act to meet the temporary business exigencies, but the amount has been squared up at the end of financial year.

(iv) In our opinion and according to the information and explanations given to us, the Company has almost complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities given.

(v) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audits) Rules, 2014 as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however,

not made a detailed examination of the Cost Records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory Dues:

a) According to the information and explanations given to us and on the basis of records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities;

b) According to the information and explanations and based on management representation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.

c) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as under:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which it relates	Forum where dispute is pending	View of Company
Income Tax Act, 1961	TDS	Rs. 2,36,465/-	AY 2019-20 and Previous years.	Traces Website	The Company is of the view that the said demand may or may not be payable as there might be errors occurred while filing TDS Returns. The Company is in the process of revising the old TDS returns and the demand which is required to be paid will be paid immediately after revision of the said returns.
Income Tax Act, 1961	Income Tax	Rs. 6,11,094/-	AY 2013-14, AY 2016-17 & AY 2017-18.	As per income tax website.	The Company is of the view that the said demand are under the review and the same will be paid in due course of time if

					no error or any rectification is observed.
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(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the banks or to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer/further public offer/debt instruments and term loans hence, reporting under clause 3 (ix) is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid /provided in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3 of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

FOR R G B & ASSOCIATES.
Chartered Accountants
FRN No. 144967W

Date : 31/07/2020
Place: Mumbai
UDIN:20144749AAAABJ4488

Bharat R. Kriplani
Partner
Mem. No. 134969

ANNEXURE “B” TO AUDITORS' REPORT

[Referred to in Clause (f) in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditors Report of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **POLSON LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR R G B & ASSOCIATES.
Chartered Accountants
FRN No. 144967W

Bharat R. Kriplani
Partner
Mem. No. 134969

Date : 31/07/2020
Place: Mumbai
UDIN: 20144749AAAABJ4488

BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
ASSETS			
Non-current assets			
Property, Plant and Equipment	4(a)	94,33,09,385	86,89,51,502
Investment Property	4(b)	10,66,72,197	10,85,66,003
Biological assets other than bearer plant	4(c)	27,22,083	27,22,083
Financial Assets			
(i) Investments	5	2,690	5,465
(ii) Other financial assets	6	17,34,04,602	17,34,04,602
Other non-current assets	7	1,57,83,189	1,88,20,837
Total Non-current assets		1,24,18,94,146	1,17,24,70,492
Current assets			
Inventories	8	10,46,27,523	18,65,53,887
Financial Assets			
(i) Trade receivables	9	22,21,93,273	25,85,80,650
(ii) Cash and cash equivalents	10(a)	15,06,030	22,82,415
(iii) Bank balances other than (ii) above	10(b)	17,15,60,500	8,11,60,500
(iv) Loans	11	33,36,382	24,36,145
(v) Other financial assets	12	1,49,07,252	78,35,709
Current tax assets (net)	25	23,41,057	-
Other current assets	13	7,62,39,467	10,71,12,761
Total Current Assets		59,67,11,484	64,59,62,067
Total Assets		1,83,86,05,630	1,81,84,32,559
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	14	60,00,000	60,00,000
b) Other Equity	15	95,63,09,872	90,04,02,992
Total Equity		96,23,09,872	90,64,02,992
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	17	40,14,91,878	42,51,27,033
(ii) Other financial liabilities	16	44,58,000	56,46,000
Provisions	18	17,95,481	14,39,598
Deferred tax liabilities (Net)	19	9,11,47,221	8,47,68,968
Total non-current liabilities		49,88,92,580	51,69,81,599
Current liabilities			
Financial Liabilities			
(i) Borrowings	20	18,49,75,194	21,12,87,063
(ii) Trade payables	21	12,25,57,678	12,25,63,241
(iii) Other financial liabilities	22	6,60,93,354	5,44,05,199
Other current liabilities	23	37,62,652	24,62,542
Provisions	24	14,300	29,824
Current tax liability (net)	25	-	43,00,099
Total current liabilities		37,74,03,178	39,50,47,968
Total Liabilities		87,62,95,758	91,20,29,567
Total Equity and Liabilities		1,83,86,05,630	1,81,84,32,559

Significant accounting policies

2-3

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date attached

For R G B & Associates
Chartered Accountants
Firm's Registration No.144967W

For and on behalf of the Board of Directors

CA Girish N. Nagpal
Partner
Membership No. 144749

Sushila Kapadia **Amol Kapadia**
Director Managing Director

Sanjay Bhalerao **Sampada Sawant**
Chief Financial Officer Company Secretary

Mumbai; Dated: 31st July 2020

Mumbai; Dated: 31st July 2020

POLSON LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current Year 2019-20 (Rs.)	Previous Year 2018-19 (Rs.)
I	Revenue from operations	26	96,69,90,125	1,08,93,91,279
II	Other income	27	4,86,88,545	6,09,01,949
III	Total Revenue		1,01,56,78,670	1,15,02,93,228
IV	Expenses			
	Cost of raw materials consumed	28	49,05,36,579	61,00,14,846
	Changes in inventories of finished goods/traded goods and work-in-progress	29	3,79,16,156	42,67,004
	Employee benefits expense	30	6,39,35,754	6,41,45,871
	Finance costs	31	6,49,67,212	6,91,48,049
	Depreciation and amortisation expense		4,52,54,970	4,02,10,427
	Other expenses	32	20,89,43,397	24,89,66,055
	Total expenses		91,15,54,068	1,03,67,52,252
V	Profit before exceptional item and tax		10,41,24,602	11,35,40,976
VI	Exceptional item			
	Profit on sale of property, plant and equipment		-	-
VII	Profit before tax		10,41,24,602	11,35,40,976
VIII	Income tax expense:			
	Current tax		(2,76,12,950)	(3,61,92,722)
	Deferred tax		(64,08,375)	2,06,85,693
	Prior year tax adjustments (net)		8,79,696	12,46,011
			(3,31,41,629)	(1,42,61,018)
IX	Profit for the year		7,09,82,973	9,92,79,958
X	Other comprehensive income/(Loss)			
	Items that will not be reclassified to statement of profit and loss			
	Remeasurement of defined employee benefit plans		(1,03,440)	1,48,139
	Fair value changes on Equity Instruments carried at fair value through OCI;		(2,775)	2,366
	Tax impact of items that will not be reclassified to statement of profit and loss		30,122	(43,138)
	Total comprehensive income for the year		7,09,06,880	9,93,87,325
	Earnings per equity share			
	(1) Basic		591.52	827.33
	(2) Diluted		591.52	827.33
	Nominal value of equity shares		50	50

Significant accounting policies

2-3

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date attached

For R G B & Associates
Chartered Accountants
Firm's Registration No.144967W

For and on behalf of the Board of Directors

CA Girish N. Nagpal
Partner
Membership No. 144749

Sushila Kapadia **Amol Kapadia**
Director Managing Director

Sanjay Bhalerao **Sampada Sawant**
Chief Financial Officer Company Secretary

Mumbai; Dated: 31st July 2020

Mumbai; Dated: 31st July 2020

POLSON LIMITED

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 MARCH 2020

A Equity

Particulars	Amount (Rs.)
Balance as at 1 April 2018	60,00,000
Changes in equity share capital during the year	-
Balance as at 31 March 2019	60,00,000
Changes in equity share capital during the year	-
Balance as at 31 March 2020	60,00,000

B Other Equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income		Total (Rs.)
	Securities Premium (Rs.)	General Reserve (Rs.)	Capital Reserve (Rs.)	Retained Earnings (Rs.)	Equity instrument fair value (Rs.)	Remeasurment of defined benefit plans (Rs.)	
Balances at 1 April 2018	21,14,000	7,79,26,512	74,46,247	71,25,13,270	(38,971)	10,54,609.00	80,10,15,667
Profit for the year	-	-	-	9,92,79,958	-	-	9,92,79,958
Other Comprehensive Income for the year	-	-	-	-	2,366	1,48,139	1,50,505
Prior year tax adjustment	-	-	-	-	-	-	-
Transfer from OCI to retained earning	-	-	-	-	-	-	-
Tax impact of items not classified to statement of profit and loss	-	-	-	-	-	(43,138)	(43,138)
Balance at 31 March 2019	21,14,000	7,79,26,512	74,46,247	81,17,93,228	(36,605)	11,59,610.00	90,04,02,992
Profit for the year	-	-	-	7,09,82,973	-	-	7,09,82,973
Other Comprehensive Income for the year	-	-	-	-	(2,775)	(1,03,440)	(1,06,215)
Prior year reversal of profit on account of cancellation of contracts	-	-	-	(1,50,00,000)	-	-	(1,50,00,000)
Transfer from OCI to retained earning	-	-	-	-	-	-	-
Tax impact of items not classified to statement of profit and loss	-	-	-	-	-	30,122	30,122
Balance at 31 March 2020	21,14,000	7,79,26,512	74,46,247	86,77,76,201	(39,380)	10,86,292.00	95,63,09,872

Significant accounting policies

2-3

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date attached

For R G B & Associates

Chartered Accountants

Firm's Registration No.144967W

For and on behalf of the Board of Directors

CA Girish N. Nagpal

Partner

Membership No. 144749

Sushila Kapadia

Director

Amol Kapadia

Managing Director

Sanjay Bhalerao

Chief Financial Officer

Sampada Sawant

Company Secretary

Mumbai; Dated: 31st July 2020

Mumbai; Dated: 31st July 2020

POLSON LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

Particulars		Current Year 2019-20 (Rs.)	Previous Year 2018-19 (Rs.)
Cash flow from/(used in) operating activities			
Profit before tax		10,41,24,602	11,35,40,976
Adjustment for:			
Exception item		-	-
Interest expense		6,06,19,659	6,68,03,623
Interest income on deposits		(92,15,220)	(58,70,415)
Depreciation and amortization		4,52,54,970	4,02,10,427
(Profit)/Loss from sale of property, plant and equipment		2,03,185	-
Loss Due to Fire/Heavy Rain		51,252	11,433
Fair value on change of equity instruments		(2,775)	2,366
Remeasurement of defined employee benefit plans		(1,03,440)	1,48,139
Operating profit before working capital changes		20,09,32,233	21,48,46,549
Movement in working capital:			
(Increase)/decrease in trade receivables		3,63,87,377	(1,99,15,134)
(Increase)/decrease in inventories		8,17,44,113	(1,88,06,927)
(Increase)/decrease in loans		(9,00,237)	2,10,430
(Increase)/decrease in other current assets		3,08,73,294	(2,17,72,095)
Increase/(decrease) in trade payables		(5,563)	(21,71,804)
Increase/(decrease) in other current liability		13,00,110	(7,09,924)
Increase/(decrease) in provision		3,40,359	1,23,212
Cash generated/(used) in operations		35,06,71,686	15,18,04,307
Income taxes paid		(3,33,74,410)	(4,03,23,541)
Net Cash flow from operating activities	(A)	31,72,97,276	11,14,80,766
Cash flow from/(used) investing activities			
Payments property, plant and equipment		(11,52,23,568)	(7,63,84,320)
Interest received		21,43,677	25,83,114
Proceeds from sale of property, plant and equipment		3,38,983	57,004
Proceeds received for insurance claim		1,31,000	4,35,000
(Increase)/decrease in reserves		(1,50,00,000)	-
(Increase)/decrease in deposit		(11,88,000)	61,54,370
(Increase)/decrease in fixed deposit with bank		(9,04,00,000)	6,99,00,000
(Increase)/decrease in Investment		2,775	(2,366)
Cash generated/(used) in investing activities	(B)	(21,91,95,133)	27,42,802
Cash flow from/(used) in financing activities			
Proceed/(repayment) of borrowings (net)		(3,82,58,869)	(5,23,68,329)
Interest paid		(6,06,19,659)	(6,68,03,623)
Cash generated/(used) in financing activities	(C)	(9,88,78,528)	(11,91,71,952)
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	(7,76,385)	(49,48,384)
Cash and cash equivalent at beginning of year		22,82,415	72,30,799
Cash and cash equivalent at end of year		15,06,030	22,82,415
Net increase/(decrease) as disclosed above		(7,76,385)	(49,48,384)

Significant accounting policies

2-3

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date attached

For R G B & Associates
Chartered Accountants
Firm's Registration No.144967W

For and on behalf of the Board of Directors

CA Girish N. Nagpal
Partner
Membership No. 144749

Sushila Kapadia
Director

Amol Kapadia
Managing Director

Sanjay Bhalerao
Chief Financial Officer

Sampada Sawant
Company Secretary

Mumbai; Dated: 31st July 2020

Mumbai; Dated: 31st July 2020

Notes to the Standalone Financial Statements for the year ended 31 March 2020

1 Corporate information

Polson Limited ("The Company") was incorporated on 21st December, 1938 by Mr. Pestonji Edulji Dalal and others. The management of the Company taken over by Late Mr. Jagdish Kapadia, Former Chairman and Mr. Amol Kapadia, Managing Director in 1970. The Company is engaged in business of Manufacturing and selling of Synthetic Organic Tanning Substance for Domestic and Export market. The registered office is at Ambaghat Taluka Shahuwadi Kolhapur - 415101.

2 Basis of preparation of financial statements

These financial statements, for the year ended 31 March 2020 and 31 March 2019 are prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read with relevant rules issued thereunder.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2020, together with the comparative period data as at and for the year ended 31 March 2019, as described in the summary of significant accounting policies. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

3.01 Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

3.02 First-time adoption of Ind AS

Ind AS 101 requires that all Ind AS effective for the first Ind AS financial statements, be applied consistently and retrospectively for all fiscal years presented. However, this standard has some exception and exemption to this general requirement in specific cases. The application of relevant exception and exemption are:

Exceptions to retrospective application of other Ind AS

- (a) **Estimates:** An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error.
- (b) **Ind AS 109-Financial Instruments (Derecognition of previously recognised financial assets / financial liabilities):** An entity shall apply the derecognition requirements in Ind AS 109 in financial instruments prospectively for transactions occurring on or after the date of transition. The Company has applied the derecognition requirements prospectively.
- (c) **Ind AS 109-Financial Instruments (Classification and measurement financial assets):** Classification and measurement shall be made on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured the financial assets on the date of transition.

Exemptions from retrospective application of Ind AS

- (a) **Ind AS 40 Investment Property:** If there is no change in the functional currency an entity may elect to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the date of transition.
- (b) **Ind AS 17 Leases:** An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a Lease and when a lease includes both land and building elements, an entity shall assess the operating lease. The Company has used this exemption and assessed all arrangements based on conditions existing as at the date of transition.
- (c) **Ind AS 109-Financial Instruments:** Ind AS 109 permits an entity to designate a financial liabilities and financial assets (meeting certain criteria) at fair value through profit or loss. A financial liability and financial asset shall be designated at fair value through profit or loss, on the basis of facts and circumstances that exist at the date of transition.

3.03 Use of estimates

The preparation of financial statements in conformity of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are:

- Valuation of financial instruments
- Valuation of derivative financial instruments
- Useful life of property, plant and equipment
- Useful life of investment property
- Provisions
- Recoverability of trade receivables

Notes to the Standalone Financial Statements for the year ended 31 March 2020

Summary of significant accounting policies

3.04 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.05 Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions.

Financial instruments (including those carried at amortised cost).

3.06 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from sale of goods

Revenue from export sales is recognised when delivery of goods is physically given to Customs authorities. Revenue from domestic sales is recognised when goods are delivered to the customer and the title of goods passes to the customers.

Interest and dividend income

The interest and dividends are recognised only when no uncertainty as to measurability or collectability exists. Interest on fixed deposits is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

3.07 Inventories:

- i) Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary.

3.08 Foreign currency transactions and translation

- i) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated in functional currency at closing rates of exchange at the reporting date.
- ii) Exchange differences arising on settlement or translation of monetary items recognised in statement of profit and loss.
- iii) The Company is primarily engaged in business of imports and exports. It has availed foreign currency denominated credit facilities for the purpose of its export and import business. As the Company enters into business transactions based on the prevailing exchange rates, the gain/(loss) on this account is considered to be an integral part of the operations of the Company in accordance with industry practice and to avoid distortion of operating performance.

Notes to the Standalone Financial Statements for the year ended 31 March 2020

3.09 Taxes**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.10 a) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss. The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration.

Depreciation and amortisation

The depreciation on tangible assets except windmill is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Useful life as per
Plant and machinery:	15 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

Notes to the Standalone Financial Statements for the year ended 31 March 2020

3.11 Investment property

Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment properties measured initially at cost including related transitions cost and where applicable borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is incurred the carrying amount of replaced part is derecognised.

Investment properties other than land are depreciated using SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 i.e. 60 years for office premises. Investment properties include:

(i) Office premises.

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.13 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in books of account but its existence is disclosed in financial statements.

3.14 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.15 Biological assets

The biological assets of the Group comprise Eucalyptus Plantations, Other Plantation in Progress and Live Stock. As the fair value could not be reliably measured, Biological asset are measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological asset becomes reliably measurable, Company will measure it at its fair value less costs to sell

3.16 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.17 Financial instruments**Initial recognition**

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

Subsequent measurement**(A) Non derivative financial instruments****(i) Financial Assets at amortised cost**

A financial assets is measured at the amortised cost if both the following conditions are met :

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

Notes to the Standalone Financial Statements for the year ended 31 March 2020

(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

(iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

(a) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. However, the Company has borrowings at floating rates. Considering the impact of restatement of Effective interest rate, transaction cost is being amortised over the tenure of loan and borrowing.

(b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(B) Derivative financial instruments

The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

The company have derivative financial assets/financial liabilities which are not designated as hedges;

Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.18 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

3.19 Employee Benefits**i) Defined contribution plans (Provident Fund)**

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

ii) Defined benefit plans (Gratuity)

In accordance with applicable Indian Law, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lumpsum payment to vested employees, at retirement or termination of employment, and amount based on respective last drawn salary and the years of employment with the Company. The Company's net obligation in respect of the Gratuity Plan is calculated by estimating the amount of future benefits that the employees have earned in return of their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is yield at reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligation. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service cost and the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contribution to the plan.

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.20 Lease

Operating lease:

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments / revenue under operating leases are recognised as an expense / income on accrual basis in accordance with the respective lease agreements.

3.21 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 a) Property, Plant and Equipment

Particulars	Tangible Assets							Total (Rs.)
	Land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasohold Premises (Note 2)	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	
Gross Block (At cost)								
As at 01 April 2018	1,63,03,158	97,30,93,500	12,20,69,184	1,53,28,302	2,30,94,379	3,18,87,014	-	1,18,17,75,537
Reclassified as Investment Property	-	8,74,38,818	-	-	-	-	-	8,74,38,818
Additions	-	2,55,52,239	1,28,15,421	18,57,409	11,89,598	-	2,60,81,468	6,74,96,136
Deductions/Adjustments	-	4,04,301	-	-	-	11,40,089	-	15,44,390
As at 31 March 2019	1,63,03,158	91,08,02,620	13,48,84,605	1,71,85,711	2,42,83,977	3,07,46,925	2,60,81,468	1,16,02,88,464
Reclassified as Investment Property	-	-	-	-	-	-	-	-
Additions	-	8,05,82,211	34,30,460	22,30,363	5,75,577	1,23,87,089	1,90,55,516	11,82,61,216
Deductions/Adjustments	-	-	-	-	-	8,70,354	-	8,70,354
As at 31 March 2020	1,63,03,158	99,13,84,830	13,83,15,065	1,94,16,074	2,48,59,554	4,22,63,660	4,51,36,984	1,27,76,79,326
Depreciation/amortisation								
As at 01 April 2017	-	12,42,91,576	6,87,94,459	92,35,626	1,20,84,747	1,54,06,822	-	22,98,13,230
For the year	-	2,45,52,129	58,75,383	13,05,229	14,92,220	30,42,015	-	3,62,66,976
Deductions/Adjustments	-	74,08,918	-	-	-	25,40,471	-	99,49,389
As at 01 April 2018	-	14,14,34,787	7,46,69,842	1,05,40,855	1,35,76,967	1,59,08,366	-	25,61,30,816
Reclassified as Investment Property	-	20,48,385	-	-	-	-	-	20,48,385
For the year	-	2,47,48,985	69,79,260	16,94,429	16,72,650	33,06,306	-	3,84,01,630
Deductions/Adjustments	-	64,014	-	-	-	10,83,085	-	11,47,099
As at 31 March 2019	-	16,40,71,373	8,16,49,102	1,22,35,284	1,52,49,617	1,81,31,587	-	29,13,36,962
Reclassified as Investment Property	-	-	-	-	-	-	-	-
For the year	-	2,62,21,715	85,14,773	23,71,518	18,94,387	43,58,771	-	4,33,61,164
Deductions/Adjustments	-	-	-	-	-	3,28,186	-	3,28,186
As at 31 March 2020	-	19,02,93,088	9,01,63,875	1,46,06,802	1,71,44,004	2,21,62,172	-	33,43,69,940
Net Block								
At 31 March 2018	1,63,03,158	83,16,58,713	4,73,99,343	47,87,446	95,17,412	1,59,78,648	-	92,56,44,720
At 31 March 2019	1,63,03,158	74,67,31,247	5,32,35,504	49,50,426	90,34,360	1,26,15,338	2,60,81,468	86,89,51,502
At 31 March 2020	1,63,03,158	80,10,91,742	4,81,51,191	48,09,272	77,15,550	2,01,01,488	4,51,36,984	94,33,09,385

Note :

- 1 The Company used carrying amount as per previous GAAP as on 1 April 2016 in its opening Ind AS statement of financial position as deemed cost for an item of property, plant and equipment. Following are the disclosure with regard to its gross block value, accumulated depreciation and net block value as per previous GAAP.

Particulars	1 April 2016		
	Original Cost	Accumulated Depreciation	Net Block
Land	1,95,12,401	-	1,95,12,401
Buildings	87,04,19,766	10,11,36,164	76,92,83,602
Plant and equipment	9,36,42,947	6,40,48,833	2,95,94,113
Office equipment	1,18,62,095	81,86,236	36,75,859
Furniture and fixtures	1,84,78,781	1,08,77,556	76,01,225
Vehicles	2,30,02,641	1,39,62,890	90,39,751
	1,03,69,18,631	19,82,11,679	83,87,06,951

- 2 The Company has taken a premises on leave and license basis in the financial year 2018-19. The said premises is currently under the construction and expected to receive the occupancy certificate in financial year 2020-21. The company has capitalised the rent and other capital expenditure incurred upto 31st March 2020. As on 31st March 2020 the said premises are not available for use hence the company has not charged the depreciation on it.

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 b) Investment Property

	Buildings (Rs.)	Total (Rs.)
Gross Block (At cost)		
As at 01 April 2018	2,08,03,864	2,08,03,864
Reclassified as Investment Property	8,74,38,818	8,74,38,818
Additions	77,04,626	77,04,626
Deductions	-	-
Reclassified as held for sale	-	-
As at 31 March 2019	11,59,47,308	11,59,47,308
Reclassified as Investment Property	-	-
Additions	-	-
Deductions	-	-
Reclassified as held for sale	-	-
As at 31 March 2020	11,59,47,308	11,59,47,308
Depreciation/amortisation		
Up to 01 April 2018	35,24,123	35,24,123
Reclassified as Investment Property	20,48,385	20,48,385
For the year	18,08,797	18,08,797
Deductions	-	-
Reclassified as held for sale	-	-
Up to 31 March 2019	73,81,305	73,81,305
Reclassified as Investment Property	-	-
For the year	18,93,806	18,93,806
Deductions	-	-
Reclassified as held for sale	-	-
Up to 31 March 2020	92,75,111	92,75,111
Net Block		
At 31 March 2019	10,85,66,003	10,85,66,003
At 31 March 2020	10,66,72,197	10,66,72,197

Reconciliation of changes in the fair value of Investment property

Particulars	Buildings (Rs.)	Total (Rs.)
As at 1 April 2018	2,80,47,769	2,80,47,769
Reclassified as Investment Property	8,74,38,818	8,74,38,818
Changes in the fair value	80,84,061	80,84,061
Closing balance as on 31 March 2019	12,35,70,649	3,61,31,831
Reclassified as Investment Property	-	-
Changes in the fair value	86,49,945	86,49,945
Closing balance as on 31 March 2020	13,22,20,594	4,47,81,776

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent.

The Company used carrying amount as per previous GAAP as on 1 April 2016 in its opening Ind AS statement of financial position as deemed cost for an item of property, plant and equipment. Following are the disclosure with regard to its gross block value, accumulated depreciation and net block value as per previous GAAP.

Particulars	1 April 2016		
	Original Cost (Rs.)	Accumulated Depreciation (Rs.)	Net Block (Rs.)
Buildings	2,08,03,864	24,17,251	1,83,86,613
	2,08,03,864	24,17,251	1,83,86,613

The future minimum lease receipts under operating leases in the aggregate is as follows:

Particular	As at 31-03-2020 (Rs.)	As at 31-03-2019 (Rs.)
Not later than one year	91,59,872	1,10,09,432
Later than one year and not later than five year	1,21,85,325	1,34,68,546
Later than five year	-	-

4 c) Biological assets

	Eucalyptus Plantations	Other Plantation in Progress	Live Stock	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
As at 01 April 2018	1,13,033	22,08,289	4,00,761	27,22,083
Additions	-	-	-	-
Deductions	-	-	-	-
As at 31 March 2019	1,13,033	22,08,289	4,00,761	27,22,083
Additions	-	-	-	-
Deductions	-	-	-	-
As at 31 March 2020	1,13,033	22,08,289	4,00,761	27,22,083
Depreciation/amortisation				
Up to 01 April 2018	-	-	-	-
For the year	-	-	-	-
Deductions	-	-	-	-
Up to 31 March 2019	-	-	-	-
For the year	-	-	-	-
Deductions	-	-	-	-
Up to 31 March 2020	-	-	-	-
Net Block				
At 31 March 2019	1,13,033	22,08,289	4,00,761	27,22,083
At 31 March 2020	1,13,033	22,08,289	4,00,761	27,22,083

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Non Current Investments:

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
A. Investments in equity instruments		
Other Investments - Quoted - measured at Fair Value through Other Comprehensive Income		
4,000 (as at 31.03.2019: 4000) Equity Shares of Vallabh Glass Works Ltd at Book value Rs. 10 each.	-	-
20 (as at 31.03.2019: 20) shares of NELCO at Book Value of Rs. 104 each.	2,690	5,465
Total	2,690	5,465

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Aggregate amount of quoted investments	2,690	5,465
Aggregate amount of unquoted investments	-	-
Market value of quoted investments	2,690	5,465
Aggregate provision for diminution in value of investments	-	-

6 Other Financial Assets

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Security Deposits	17,34,04,602	17,34,04,602
Total	17,34,04,602	17,34,04,602

7 Other Non- Current Assets

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Capital advances	1,57,83,189	1,88,20,837
Total	1,57,83,189	1,88,20,837

8 Inventories

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Raw Materials	4,69,75,410	9,00,41,927
Finished Products	2,14,15,548	5,47,18,393
Work in Process	69,85,021	1,15,98,332
Consumables/Stores/Fuel/Packing Material	2,92,38,544	3,01,82,235
Cans & Trays	13,000	13,000
Total	10,46,27,523	18,65,53,887

9 Trade Receivables

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
(Unsecured, considered good)		
Debts outstanding for a year exceeding six months from the date they are due for payment	-	-
Others debts	22,08,70,202	25,72,57,579
(Unsecured, considered doubtful)		
Debts outstanding for a year exceeding six months from the date they are due for payment	13,23,071	13,23,071
Others debts	-	-
Total	22,21,93,273	25,85,80,650

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 a) Cash and Cash Equivalents

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Balances with banks	14,27,830	20,35,479
Cash on hand	78,200	2,46,936
Total	15,06,030	22,82,415
Other bank balances: Bank deposits with original maturity less than three months	-	-
Total	15,06,030	22,82,415

10 b) Bank balances other than (a) above

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
In fixed deposits Deposits with original maturity of more than three months but less than twelve months	17,15,60,500	8,11,60,500
Total	17,15,60,500	8,11,60,500

11 Loans

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
(Unsecured and considered good) Advances to employees	33,36,382	24,36,145
Total	33,36,382	24,36,145

12 Others Financial Assets

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Unsecured, Considered good Interest accrued but not due	1,49,07,252	78,35,709
Total	1,49,07,252	78,35,709

13 Other Current Assets

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Unsecured, Considered good Advances to suppliers	1,84,08,563	1,63,06,955
Balances with Government & Local Authorities	5,55,64,910	8,41,12,912
Other receivable - rent & others	22,65,994	19,42,894
Receivable towards sale of property, plant and equipments	-	47,50,000
Total	7,62,39,467	10,71,12,761

14 Equity Share Capital

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Authorised: 4,00,000 (as at 31 March 2020: 4,00,000; as at 1 April 2019: 4,00,000) Equity shares of 50 each	2,00,00,000	2,00,00,000
50,000, 6% Cumulative Redeemable Preference Share of Rs. 100 each (as at 31 March 2020: 50,000 ; as at 1 April 2019: 50,000) of Rs.100 each.	50,00,000	50,00,000
	2,50,00,000	2,50,00,000
Issued, subscribed and paid up: 1,20,000 (as at 31 March 2020: 1,20,000; as at 1 April 2019: 1,20,000) Equity shares of Rs.50 each fully paid up	60,00,000	60,00,000
Total Equity	60,00,000	60,00,000

a) Details of reconciliation of the number of shares outstanding:

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Rs.	No. of shares	Rs.
Equity Shares:				
Shares outstanding at the beginning of the year	1,20,000	60,00,000	1,20,000	60,00,000
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,20,000	60,00,000	1,20,000	60,00,000

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of the shares held by holding company:

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity Shares : AJI Commercial Private Limited	64,339	53.62%	64,339	53.62%

d) Details of shares in the company held by each shareholder holding more than 5 percent:

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of Holding	No. of shares	% of Holding
AJI Commercial Pvt. Ltd	64,339	53.62%	64,339	53.62%
Oriental Pharmaceuticals Industries Limited	8,849	7.37%	8,849	7.37%
Mrs. Sushila J. Kapadia (Director)	11,222	9.35%	11,222	9.35%

e) The Company has neither issued any shares for consideration other than cash or as bonus shares nor any shares issued had been bought back by the Company during the last five years.

15 Other Equity

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Equity instruments through other comprehensive income		
Balance as per last financial statement	(36,605)	(38,971)
Addition during the year (net of tax)	(2,775)	2,366
Transfer to retained earning realised (gain)/Loss	-	-
Closing balances	(39,380)	(36,605)
Retained earning		
Balance as at beginning of the year	81,29,52,837	71,35,67,878
Profit for the year	7,09,82,973	9,92,79,958
Prior year reversal of profit on account of cancellation of contracts	(1,50,00,000)	-
Transfer from Other Comprehensive income	-	-
Remeasurements of the net defined benefit plans net of tax	(73,318)	1,05,001
Total retained earning	86,88,62,492	81,29,52,837
Asset revaluation reserve		
Depreciation on revaluation of property, plant and equipment	-	-
	-	-
Securities premium account		
	21,14,000	21,14,000
	21,14,000	21,14,000
Capital Reserve		
	74,46,248	74,46,248
	74,46,248	74,46,248
General reserves		
	7,79,26,512	7,79,26,512
	7,79,26,512	7,79,26,512
Total	95,63,09,872	90,04,02,992

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Other Financial Liabilities

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Security deposits	44,58,000	56,46,000
Total	44,58,000	56,46,000

17 Borrowings (non current)

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Financial Liabilities at amortised cost		
Secured		
Term Loan - from banks - in Indian rupees		
Term loans secured against freehold properties	33,95,75,955	38,51,75,344
Term loans secured against vehicles	59,93,123	30,87,607
Term loans for capital expenditure	3,07,08,800	-
(Term loans from banks are secured against property, plant and equipments of the Company, repayable in 116-231 monthly installments and carries interest at the rate of 9.00% p.a. to 11.00% p.a.)		
Term Loan - from banks - in foreign currency		
Term loans for capital expenditure	-	1,16,50,082
(Term loans from banks are secured against property, plant and equipments of the Company, repayable in 35 months and carries interest at the rate of Libor plus spread of 3.00% to 7.50%)		
LIC Loan against Keyman Insurance Policy		
Loan from LIC	2,52,14,000	2,52,14,000
(Loan from LIC is secured against keyman insurance policy of managing director of the Company and carries interest at the rate of 10% p.a.)		
Total	40,14,91,878	42,51,27,033

18 Provisions

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Provision for employee benefits		
Gratuity (Unfunded)	17,95,481	14,39,598
Total	17,95,481	14,39,598

19 Deferred tax liabilities (Net)

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Deferred tax liabilities		
Depreciation on property, plant and equipments	9,06,91,735	8,41,67,688
	9,06,91,735	8,41,67,688
Deferred tax assets		
Provision for gratuity	(4,55,486)	(6,01,280)
	(4,55,486)	(6,01,280)
Total	9,11,47,221	8,47,68,968

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20 Borrowings - Current

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Financial Liabilities at amortised cost		
Secured		
From banks - in Indian rupees		
Cash Credit with Bank	-	-
Packing credit with Bank	(88,65,401)	(78,96,725)
Working capital term loan	54,25,750	-
From banks - in foreign currency		
Packing credit with Bank	10,00,00,000	5,00,00,000
Export Bills Discounted/Purchased by Bank	-	6,96,57,458
	8,84,14,845	9,95,26,330
(Cash credit, overdraft facility, working capital loans, packing credits and export bills discounted from banks are secured by hypothecation of current assets (first pari passu) of the Company.)		
Total	18,49,75,194	21,12,87,063

21 Trade Payables

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Financial Liabilities at amortised cost		
Trade payables :		
total outstanding dues of MSME	4,00,392	13,41,896
total outstanding dues of creditors other than MSME	12,21,57,286	12,12,21,345
Total	12,25,57,678	12,25,63,241

The Company has not received information from majority of its suppliers regarding their registration under Medium Enterprises Development Act, 2006'. Hence classification is made on the basis of the disclosure re amount mentioned in the above note is not yet due for payment.

22 Other Financial Liabilities

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Financial Liabilities at amortised cost		
Others		
Current maturities of long-term debt (Rupee loans)	5,12,06,153	4,77,89,567
Current maturities of long-term debt for Capital Exp (Rupee loans)	76,77,200	-
Current maturities of long-term debt (Foreign currency loans)	72,10,001	66,15,632
Total	6,60,93,354	5,44,05,199

23 Other Current Liabilities

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Advances from customers	6,94,859	1,63,388
Employee dues payable	19,12,819	5,76,792
Statutory dues payable	11,54,974	17,22,362
Total	37,62,652	24,62,542

24 Provisions

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Provision for employee benefits:		
Gratuity (unfunded)	14,300	29,824
Total	14,300	29,824

25 Current tax liabilities / (assets) - (net)

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Provision for income tax (net)	(23,41,057)	43,00,099
Total	(23,41,057)	43,00,099

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

26 Revenue From Operations

Particulars	Current Year 2019-20 (Rs.)	Previous Year 2018-19 (Rs.)
Sale of Products - Finished Goods		
Domestic sales	21,46,45,401	27,16,15,910
Export sales	75,23,44,724	81,77,75,369
Total	96,69,90,125	1,08,93,91,279

27 Other Income

Particulars	Current Year 2019-20 (Rs.)	Previous Year 2018-19 (Rs.)
Interest income:		
On fixed deposit with banks	80,60,957	51,55,786
On loans	6,11,339	-
On sales tax refund	5,42,924	7,14,629
Others:		
Rent received	98,86,486	1,30,49,729
Duty drawback received	1,12,41,963	1,22,30,412
MEIS/FPS License fee	1,69,84,288	2,98,74,908
Sundry balances written back/(write-off)	-	(2,30,961)
Miscellaneous income	13,60,588	1,07,446
Total	4,86,88,545	6,09,01,949

28 Cost of Raw Materials Consumed

Particulars	Current Year 2019-20	Previous Year 2018-19
Raw materials consumed :		
Opening stock	9,00,41,927	7,08,39,041
Add: Purchases	37,04,17,294	55,42,78,772
Less: Closing stock	4,69,75,410	9,00,41,927
Total (a)	41,34,83,811	53,50,75,886.69
Consumables/Stores/Fuel/Packing Material		
Opening stock	3,01,82,235	2,64,17,336
Add: Purchases	7,61,09,077	7,87,03,859
Less: Closing stock	2,92,38,544	3,01,82,235
Total (a)	7,70,52,768	7,49,38,959
Total (a+b)	49,05,36,579	61,00,14,846

29 Changes In Inventories of Finished Goods and Work-In-Progress

Particulars	Current Year 2019-20	Previous Year 2018-19
a) Changes in inventories of finished goods		
Opening stock of finished goods	5,47,18,393.00	6,42,32,977
Less: Closing stock of finished goods	2,14,15,548.00	5,47,18,393
Total (a)	3,33,02,845.00	95,14,583.39
b) Changes in work in progress		
Opening stock of work in progress	1,15,98,332.00	63,50,752
Less: Closing stock of work in progress	69,85,021.00	1,15,98,332
Total (b)	46,13,311.00	(52,47,580)
Total (a+b)	3,79,16,156	42,67,004

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

30 Employee Benefits Expense

Particulars	Current Year 2019-20	Previous Year 2018-19
Salaries, wages, bonus, commission and allowances	4,84,86,125	4,90,33,203
Directors' remuneration	1,08,00,000	1,08,00,000
Contribution to provident and other funds	16,81,295	16,85,975
Apprentices' stipend	11,68,292	7,35,050
Gratuity	2,83,073	3,11,736
Staff welfare expenses	15,16,969	15,79,907
Total	6,39,35,754	6,41,45,871

31 Finance Costs

Particulars	Current Year 2019-20	Previous Year 2018-19
Interest expenses on		
Cash credit	90,56,491	1,10,62,545
Term loans	4,56,73,742	5,37,17,606
Working capital demand loan	58,75,000	4,10,959
Others	14,426	16,12,513
Other borrowing costs	43,47,553	23,44,426
Total	6,49,67,212	6,91,48,049

32 Other Expenses

Particulars	Current Year 2019-20 (Rs.)	Previous Year 2018-19 (Rs.)
Freight & Forwarding	5,70,68,136	5,46,85,702
Carriage Inward	2,08,59,820	2,39,28,774
Freight - Ocean	1,21,82,251	1,30,55,345
Factory Electricity	1,42,90,588	1,10,39,966
Electricity & Water Expenses	12,37,230	14,55,703
Travelling Exp (includes Director's travelling)	2,60,14,198	2,85,04,926
Factory Travelling Expenses	4,03,844	2,50,702
Conveyance	8,47,780	10,38,285
Repairs & Maintenance (Building & others)	93,95,375	1,63,77,338
Repairs & Maintenance (Machinery)	10,03,542	11,95,288
Computer Maintenance	2,27,143	1,89,650
Rent, Rates & Taxes	2,35,35,740	2,99,72,450
Professional & Legal Fees	1,74,59,453	1,87,36,586
Exchange Difference	(44,25,158)	1,35,74,516
Commission	84,03,797	68,14,729
Business Promotion	23,84,950	47,01,288
Diwali Gifts & others	2,10,662	1,55,324
Advertisement	1,32,876	1,72,003
Expenditure related to Corporate Social Responsibility	-	25,20,000
Donation	1,01,000	1,98,200
Vehicle Expenses	29,30,195	38,50,942
Loss on sale of propert, plant and equipment	2,03,185	-
Loss Due to Fire/Heavy Rain	51,252	11,433
Insurance	9,69,893	20,82,309
Telephone Exp.	7,36,676	8,57,926
Internet charges	30,330	32,201
Security Expenses	3,64,857	4,79,103
Postage & Courier	12,85,600	16,18,232
Garden, landscaping expenses	31,75,397	34,79,837
General Expenses	4,51,597	4,74,331
Research & Development	8,06,782	9,38,007
Printing & Stationery	15,00,506	17,25,256
Auditors Fee For Statutory & Tax Audits	9,00,000	9,00,000
Auditors Fee - For Corporate & other matters	-	1,50,000
Membership & Subscription	6,53,732	4,28,860
ROC/ BSE / SEBI - Listing/Filing fees	3,37,580	9,26,777
Office Expenses	21,93,865	14,29,788
Miscellaneous expenses	10,18,723	10,14,277
Total	20,89,43,397	24,89,66,055

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

33 Contingent liability

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Disputed Claims (The Company has filed two suits against Modipon Ltd for unlawful termination of agreement for a sum aggregating to Rs.3,26,60,748/-. The said Company has made counter claim for Rs.4,76,30,583/-. The case is pending before the Court.)	4,76,30,583	4,76,30,583
Tax Deducted at Source (TDS) liabilities for various years Income tax liability AY 2013-14 (Appropriate steps have been taken by the Company for rectification applications with the appropriate income tax authorities which are pending for decision.)	2,36,465 -	2,35,697 -

34 Employee benefit obligations

i. Defined Contribution Plans:

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Particulars	Current year 2019-2020 (Rs.)	Previous year 2018-2019 (Rs.)
Contribution to provident fund	16,81,295	16,85,975

ii. Defined Benefit Plan:

The Company has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.20,00,000.

The following tables summaries the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Particulars	Current year 2019-2020 (Rs.)	Previous year 2018-2019 (Rs.)
Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	1,72,572	2,10,030
Past service cost	-	-
Interest cost on defined benefit obligation	1,10,501	1,01,706
(Gain) / losses on settlement	-	-
Total expense charged to profit and loss account	2,83,073	3,11,736
Amount recorded in Other Comprehensive Income (OCI)		
Opening amount recognised in OCI outside profit and loss account		
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	1,03,440	(1,48,139)
Actuarial loss / (gain) arising from change in demographical assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	-	-
Closing Amount recognised in OCI outside profit and loss account	1,03,440	(1,48,139)
Reconciliation of net liability / asset		
Opening defined benefit liability / (assets)	14,69,422	13,46,210
Expense charged to profit & loss account	2,83,073	3,11,736
Amount recognised in outside profit and loss account	1,03,440	(1,48,139)
Benefit Paid	(46,154)	(40,385)
Closing net defined benefit liability / (asset)	18,09,781	14,69,422

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Movement in benefit obligation and balance sheet

A reconciliation of the benefit obligation during the inter-valuation period:

Particulars	Current year 2019-2020 (Rs.)	Previous year 2018-2019 (Rs.)
Opening defined benefit obligation	14,69,422	13,46,210
Current service cost	1,72,572	2,10,030
Past service cost	-	-
Interest on defined benefit obligation	1,10,501	1,01,706
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	1,03,440	(1,48,139)
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	-	-
Benefits paid	(46,154)	(40,385)
Closing defined benefit obligation [liability / (asset)] recognised in balance sheet	18,09,781	14,69,422

Net liability is bifurcated as follows :

	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Current	14,300	29,824
Non-current	17,95,481	14,39,598
Net liability	18,09,781	14,69,422

The principal assumptions used in determining gratuity benefit obligation for the company's plans are shown below:

Discount rate	6.80%	7.67%
Expected rate of return on plan assets (p.a.)	0.00%	0.00%
Salary escalation rate (p.a.)	10.00%	10.00%
Withdrawal rate	5% at younger age reducing to 1% at older ages	5% at younger age reducing to 1% at older ages
Attrition rate (p.a.)	-1.00%	-1.00%
Mortality rate	25% at younger age reducing to 1% at older ages	25% at younger age reducing to 1% at older ages
Mortality pre-retirement	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

A quantitative analysis for significant assumption is as shown below:

Indian gratuity plan:

Particulars	Current year 2019-2020 (Rs.)	Previous year 2018-2019 (Rs.)
Assumptions -Discount rate		
Sensitivity Level (a hypothetical increase / (decrease) by)	1.00%	1.00%
Impact on defined benefit obligation -increase of sensitivity level	15,58,606	12,63,478
Impact on defined benefit obligation -decrease of sensitivity level	21,17,740	17,21,770
Assumptions -Future salary escalations rates		
Sensitivity Level (a hypothetical increase / (decrease) by)	1.00%	1.00%
Impact on defined benefit obligation-increase of sensitivity level	21,03,191	17,13,337
Impact on defined benefit obligation-decrease of sensitivity level	15,64,579	12,65,804

The following payments are expected contributions to the defined benefit plant in future years.

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Within 1 year	14,300	15,707
1-2 year	16,243	17,781
2-3 year	55,316	59,486
3-4 year	23,054	29,156
4-5 year	22,928	23,279
5-10 year	2,61,078	2,36,133

The average duration of the defined benefit plan obligation at the end of the reporting period is 15.45 years.

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

35 Segmental Information

In accordance with IND AS 108 "Operating segment" - The Company used to present the segment information identified on the basis of internal report used by the Company to allocate resources to the segment and assess their performance. The Board of Directors of the Company is collectively the Chief Operating Decision Maker (CODM) of the Company.

The chief operating decision maker monitors the operating results of its segment separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated on the basis on profit and loss.

Summary of the segment Information as follows:

Particulars	As at 31 March 2020 (Rs.)	As at 31 March 2019 (Rs.)
Segment revenue		
Sales and income from operations		
Within India	21,46,45,401	27,16,15,910
Outside India	75,23,44,724	81,77,75,369
Total	96,69,90,125	1,08,93,91,279
Carrying amount of assets by geographical location of assets		
Segment assets		
Within India	1,83,86,05,630	1,81,84,32,559
Outside India	-	-
Total	1,83,86,05,630	1,81,84,32,559
Additions to fixed assets (including intangible assets and capital work in progress)		
Within India	11,56,56,416	7,25,94,613
Outside India	26,04,800	26,06,149
Total	11,82,61,216	7,52,00,762

36 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care, ensuring environmental sustainability education, promoting gender equality and empowering women and other activities. The amount has to be expended on the activities which are specified in Schedule VII of the Companies Act, 2013.

Details of CSR expenditure required to be spent and amount spent are as under:

Particulars	Current year 2019-2020 (Rs.)	Previous year 2018-2019 (Rs.)
Gross amount required to be spent by the company during the year as per Section 135 of the Companies Act, 2013 read with schedule VII	25,85,232	25,18,323
Amount spent during the year	-	25,20,000
Cumulative CSR Expenditure required to be spent/(excess)	24,74,066	(1,11,166)

Note - The Company will spent the unspent CSR expenditure in FY 2020-21.

37 Financial Instruments

Financial instrument by category

The carrying value and fair value of financial instrument by categories as of 31 March 2020 were as follows

Particulars	at amortised cost (Rs.)	at fair value through profit and loss (Rs.)	at fair value through OCI (Rs.)	Total Carrying value (Rs.)	Total fair value (Rs.)
Assets:					
Cash and cash equivalents	15,06,030	-	-	15,06,030	15,06,030
Other bank balance	17,15,60,500	-	-	17,15,60,500	17,15,60,500
Trade receivables	22,21,93,273	-	-	22,21,93,273	22,21,93,273
Other financial assets	18,83,11,854	-	-	18,83,11,854	18,83,11,854
Loans	33,36,382	-	-	33,36,382	33,36,382
Investments	-	-	2,690	-	-
	58,69,08,039	-	2,690	58,69,08,039	58,69,08,039
Liabilities:					
Borrowing	58,64,67,072	-	-	58,64,67,072	58,64,67,072
Trade and other payables	12,25,57,678	-	-	12,25,57,678	12,25,57,678
Other financial liabilities	7,05,51,354	-	-	7,05,51,354	7,05,51,354
	77,95,76,104	-	-	77,95,76,104	77,95,76,104

The carrying value and fair value of financial instrument by categories as of 31 March 2019 were as follows

Particulars	at amortised cost (Rs.)	at fair value through profit and loss (Rs.)	at fair value through OCI (Rs.)	Total Carrying value (Rs.)	Total fair value (Rs.)
Assets:					
Cash and cash equivalents	22,82,415	-	-	22,82,415	22,82,415
Other bank balance	8,11,60,500	-	-	8,11,60,500	8,11,60,500
Trade receivables	25,85,80,650	-	-	25,85,80,650	25,85,80,650
Other financial assets	18,12,40,311	-	-	18,12,40,311	18,12,40,311
Loans	24,36,145	-	-	24,36,145	24,36,145
Investments	-	-	5,465	5,465	5,465
	52,57,00,021	-	5,465	52,57,05,486	52,57,05,486
Liabilities:					
Borrowing	63,64,14,096	-	-	63,64,14,096	63,64,14,096
Trade and other payables	12,25,63,241	-	-	12,25,63,241	12,25,63,241
Other financial liabilities	6,00,51,199	-	-	6,00,51,199	6,00,51,199
	81,90,28,536	-	-	81,90,28,536	81,90,28,536

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

38 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2020:

Particulars	As at 31 March 2020	Fair value measurement at end of the reporting year		
		Level 1 (Rs.)	Level 2 (Rs.)	Level 3 (Rs.)
Assets /Liabilities measured at fair value				
Financial Assets:				
Non current investments	-	-	-	-
Financial Liabilities:				
Borrowings	40,14,91,878	-	-	40,14,91,878
Other Financial Liabilities	44,58,000	-	-	44,58,000

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2019:

Particulars	As at 31 March 2019 (Rs.)	Fair value measurement at end of the reporting year using		
		Level 1 (Rs.)	Level 2 (Rs.)	Level 3 (Rs.)
Assets /Liabilities measured at fair value				
Financial Assets:				
Non current investments	5,465	5,465	-	-
Financial Liabilities:				
Borrowings	42,51,27,033	-	-	42,51,27,033
Other Financial Liabilities	56,46,000	-	-	56,46,000

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

39 Financial risk management objectives and policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Carrying amount of financial assets and liabilities:

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

Particulars	As at 31 March 20 (Rs.)	As at 31 March 19 (Rs.)
Financial assets		
Non current investment	2690	5,465
Cash and cash equivalent	15,06,030	22,82,415
Bank balances other than above	17,15,60,500	8,11,60,500
Trade receivables	22,21,93,273	25,85,80,650
Loans	33,36,382	24,36,145
Other financial assets	18,83,11,854	18,12,40,311
At end of the year	58,69,10,729	52,57,05,486
Financial liabilities		
Borrowings	58,64,67,072	63,64,14,096
Trade payables	12,25,57,678	12,25,63,241
Other financial liabilities	7,05,51,354	6,00,51,199
At end of the year	77,95,76,104	81,90,28,536

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

As disclosed in Note 10 (b), cash and cash equivalents balances generally represent short term deposits with a less than 180-day maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 90-360 days. But some customers take a longer period to settle the amounts.

Exposure to credit risk

Financial asset for which loss allowance is measured using expected credit loss model

Particulars	As at 31 March 20 (Rs.)	As at 31 March 19 (Rs.)
Financial assets		
Non current investment	2,690	5,465
Cash and cash equivalent	15,06,030	22,82,415
Bank balances other than above	17,15,60,500	8,11,60,500
Trade receivables	22,21,93,273	25,85,80,650
Loans	33,36,382	24,36,145
Other financial assets	18,83,11,854	18,12,40,311
At end of the year	58,69,10,729	52,57,05,486

Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

Particulars	As at 31 March 20 (Rs.)	As at 31 March 19 (Rs.)
Trade receivables:		
Less than 90 days	20,89,22,592	24,68,05,413
90 to 180 days	1,19,47,610	1,04,52,166
Over 180 days	13,23,071	13,23,071
	22,21,93,273	25,85,80,650

In the opinion of management, trade receivable, financial assets, cash and cash equivalent, balance with bank, loans and other financial assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

The Company has not recognised any loss allowance as the Company expect that there is no credit loss on trade receivables.

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Foreign currency risk

The Company operates internationally and the major portion of business is transacted in USD. The Company has Sales, Purchase, Borrowing (etc.) in foreign currency. Consequently, the Company is exposed to foreign exchange risk.

Foreign exchange exposure is partially balanced by purchasing in goods, commodities and services in the respective currencies.

The company evaluate exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign currency exposures not specifically covered by forward exchange contracts as at year end are as follows:

Currency	As at 31 March 2020		As at 31 March 2019	
	Foreign currency	Indian Rupees	Foreign currency	Indian Rupees
USD - Trade receivables	20,14,316	15,18,51,040	21,83,788	15,10,55,480
USD - Advances from customer	7,050	5,31,471	-	-
USD - Trade payables	62,572	47,17,061	59,050	40,84,565
USD - Advances to suppliers	-	-	11,100	7,67,801
USD - Term loans for capital exp.	95,641	72,10,001	2,64,065	1,82,65,714
USD - Packing credit with bank	-	-	10,07,028	6,96,57,458
USD - Export bills discounted	11,72,830	8,84,14,845	14,38,839	9,95,26,330

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax

Currency	As at 31 March 2020		As at 31 March 2019	
	1% increase (Rs.)	1% decrease (Rs.)	1% increase (Rs.)	1% decrease (Rs.)
USD - Trade receivables	(15,18,510)	15,18,510	(15,10,555)	15,10,555
USD - Trade payables	(47,171)	47,171	(40,846)	40,846
USD - Advances to suppliers	-	-	(7,678)	7,678
USD - Term loans for capital exp.	(72,100)	72,100	(1,82,657)	1,82,657
USD - Packing credit with bank	-	-	(6,96,575)	6,96,575
USD - Export bills discounted	(8,84,148)	8,84,148	(9,95,263)	9,95,263
USD - FCNR loans	-	-	-	-

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate are disclosed in the respective notes to the financial statements of the Company. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

Particulars	As at 31 March 20 (Rs.)	As at 31 March 19 (Rs.)
Financial assets		
Interest bearing - Fixed interest rate		
- Non current investment	-	-
- Non current fixed deposit	-	-
- Current fixed deposit	17,15,60,500	8,11,60,500
Financial Liabilities		
Interest bearing		
Borrowings - Floating interest rate		
- Working capital loan	37,62,77,878	39,99,13,033
Borrowings - Fixed interest rate		
- Other Loans	2,52,14,000	2,52,14,000

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at 31 March 20 (Rs.)	As at 31 March 19 (Rs.)
Increase in 100 bps points		
Effect on profit before tax	(37,62,779)	(39,99,130)
Decrease in 100 bps points		
Effect on profit before tax	37,62,779	39,99,130

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

Particulars	On demand (Rs.)	Less than 3 months (Rs.)	3 to 12 months (Rs.)	1 to 5 years (Rs.)	> 5 years (Rs.)	Total (Rs.)
Year ended 31 March 2020						
Borrowings				40,14,91,878		40,14,91,878
Other financial liabilities		1,65,23,339	4,95,70,016	44,58,000		7,05,51,354
Trade and other payables		4,40,20,729	7,85,42,512			12,25,63,241
	-	6,05,44,068	12,81,12,528	40,59,49,878	-	59,46,06,473
Year ended 31 March 2019						
Borrowings	-	21,12,87,063		42,51,27,033	-	63,64,14,096
Other financial liabilities	-	1,36,01,300	4,08,03,900	56,46,000	-	6,00,51,199
Trade and other payables	-	12,16,63,241	9,00,000	-	-	12,25,63,241
	-	34,65,51,604	4,17,03,900	43,07,73,033	-	81,90,28,536

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31 March 20 (Rs.)	As at 31 March 19 (Rs.)
Borrowings	58,64,67,072	63,64,14,096
Trade payables	12,25,57,678	12,25,63,241
Other financial liabilities	7,05,51,354	6,00,51,199
Less: cash and cash equivalents	(15,06,030)	(22,82,415)
Net debt (a)	77,80,70,074	81,67,46,121
Total equity		
Total member's capital	96,23,09,872	90,64,02,992
Capital and net debt (b)	1,74,03,79,946	1,72,31,49,113
Gearing ratio (%) (a/b)*100	44.71	47.40

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

41 Income tax

The major components of income tax expense for the years are:

Particulars	As at 31 March 2020	As at 31 March 2019
Current income tax:		
Current income tax charge	2,76,12,950	3,61,92,722
Adjustments in respect of previous year	(8,79,696)	(12,46,011)
MAT credit entitlement	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	64,08,375	(2,06,85,693)
Income tax expense reported in the statement of profit or loss	3,31,41,629	1,42,61,018

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before Income taxes is summarized as follow:

Particulars	As at 31 March 2020	As at 31 March 2019
Profit before income tax	10,41,24,602	11,35,40,976
Rate of Income tax	25.17%	29.12%
Computed expected tax expenses	2,62,06,080	3,30,63,132
Additional allowances for tax purpose/Considered Separately	(1,59,82,774)	(1,69,92,052)
Additional Tax for capital gain	-	-
Additional Tax for Other Sources	23,19,287	17,09,465
Additional Tax for House Property	17,53,871	17,21,230
Deduction u/s 80G	-	(3,66,912)
Expenses not allowed for tax purposes/Considered Separately	1,32,35,674	1,65,78,539
Other Adjustment	-	-
Interest on late payment of advance tax	80,813	4,79,320
Additional Tax payable due to MAT provisions	-	-
Income tax expense reported in the statement of profit or loss	2,76,12,950	3,61,92,722

Applicable statutory tax rate for financial year 2019-20 is 29.12% (Previous year 2018-19 is 29.12%)

The Gross movement in the current income tax asset/(Liability) for the year ended March 31, 2020 and March 31, 2019 is as follows

Particulars	As at 31 March 2020	As at 31 March 2019
Net current income tax asset/(liability) at the beginning	(43,00,099)	(96,76,929)
Income tax paid	3,33,74,410	4,03,23,541
Current tax expenses	(2,76,12,950)	(3,61,92,722)
MAT credit entitlement	-	-
Excess short provision of earlier year	8,79,696	12,46,011
Net current income tax asset/(liability) at the end	23,41,057	(43,00,099)

42 Estimates

The estimates at 31 March 2020 and at 31 March 2019 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

- 43** Balances in the accounts of trade receivables, loans and advances, trade payables and other current liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

- 44** There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS)-36 'Impairment of Assets'.

45 Lease disclosure

The company has entered into agreement for obtaining office premises on rent which are in nature of operating leases. Amount paid/payable in respect of such leases are charged to profit and loss on accrual basis.

46 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	As at 31 March 20	As at 31 March 19
Profit attributable to equity holders of the parent for basic earnings (Rs.)	7,09,82,973	9,92,79,958
Weighted average number of equity shares for basic and diluted earning per share	1,20,000	1,20,000
Face value per share	50	50
Basic earning per share	591.52	827.33
Diluted earning per share	591.52	827.33

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

47 Related Party Disclosures

i. Related party relationships:

Particulars	Name of Related Parties (FY 2019-20 & FY 2018-19)
Holding Company	AJI Commercial Private Limited
Fellow Subsidiary	B.K. Giulini Specialities Private Limited Europa Chemicals Asia Private Limited
Key management personnel	Mr. Amol Kapadia - Managing Director
Fellow Associates	AJK Commercial Private Limited New Commercial Mills Limited Oriental Pharmaceutical Industries Limited New Commercial Investment & Trading Limited
Enterprises on which key management personnel have significant influence	Atlas Refinery Private Limited Aji Investment Private Limited Ajk Investment Private Limited Dudhwala Builders Private Limited

Notes:

- The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' and the same have been relied upon by the auditors.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year /previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

ii. Transactions with related parties for the year ended 31st March 2020:

Nature of transactions	Name of related party	Transaction during the period	Year ended 31st March 2020
		Rs.	Rs.
Sale of goods	BK Giulini Specialities Pvt Ltd	2,32,47,652	
	Atlas Refinery Private Limited	8,32,60,424	
	Europa Chemicals Private Limited	63,17,992	
Purchase of goods	Atlas Refinery Private Limited	1,30,69,179	
Remuneration paid	Mr. Amol Kapadia	1,08,00,000	
MEIS/FPS License fee	B.K. Giulini Specialities Private Limited	9,50,670	
Duty drawback received	B.K. Giulini Specialities Private Limited	3,37,442	
	Europa Chemicals Asia Private Limited	1,01,880	
Rent paid	Dudhwala Builders Private Limited	14,16,000	
Commision on sales paid	Atlas Refinery Private Limited	12,21,486	
Reimbursements received against expenses paid on behalf	AJI Investment Pvt.Limited.	10,47,312	
	AJK Investment Pvt.Limited	9,61,328	
	Mr. Amol Kapadia	42,41,789	
Outstanding Balances at the end of the year	AJI Investment Pvt.Limited.		48,00,000
	AJK Investment Pvt.Limited		48,00,000
	B.K. Giulini Specialities Private Limited		28,39,533
	Atlas Refinery Private Limited		2,04,66,872

ii. Transactions with related parties for the year ended 31st March 2019:

Nature of transactions	Name of related party	Transaction during the period	Year ended 31st March 2019
		Rs.	Rs.
Sale of goods	BK Giulini Specialities Pvt Ltd	7,09,30,195	
	Atlas Refinery Private Limited	12,56,22,975	
	Europa Chemicals Private Limited	5,00,564	
Purchase of goods	Atlas Refinery Private Limited	1,06,70,430	
Remuneration paid	Mr. Amol Kapadia	1,08,00,000	
MEIS/FPS License fee	B.K. Giulini Specialities Private Limited	93,74,369	
Duty drawback received	B.K. Giulini Specialities Private Limited	13,86,896	
Rent paid	Dudhwala Builders Private Limited	14,16,000	
Reimbursements received against expenses paid on behalf	Atlas Refinery Private Limited	77,15,846	
	AJI Investment Pvt.Limited.	10,47,312	
	AJK Investment Pvt.Limited	9,61,394	
	Mr. Amol Kapadia	28,81,927	
Outstanding Balances at the end of the year	AJI Investment Pvt.Limited.		48,00,000
	AJK Investment Pvt.Limited		48,00,000
	B.K. Giulini Specialities Private Limited		92,30,172
	Atlas Refinery Private Limited		4,71,13,901

POLSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- 48 Events after the end of the reporting year**
No subsequent event has been observed which may require an adjustment to the statement of financial position.
- 49** In the opinion of the Director, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

Signatures to Notes 1 to 49

For R G B & Associates
Chartered Accountants
Firm's Registration No.144967W

For and on behalf of the Board of Directors

CA Girish N. Nagpal
Partner
Membership No. 144749

Sushila Kapadia
Director

Amol Kapadia
Managing Director

Sanjay Bhalerao
Chief Financial Officer

Sampada Sawant
Company Secretary

Mumbai; Dated: 31st July 2020

Mumbai; Dated: 31st July 2020

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