



Letter of Offer
Dated March 25, 2016
For the Eligible Equity Share holders of the Company only



POLSON LIMITED

(Incorporated as Polson Limited on December 21, 1938, under the Indian Companies Act VII of 1913, with the Registrar of Companies, Bombay) The registration no. assigned to our Company was 002879. The CIN of the Company at present is L15203PN1938PLC002879. For details of changes in the address of the Registered Office of the Company, please refer to page no. -8 of this Letter of Offer.

Registered Office: Ambaghat, Vishalgad, Taluka, Shahuwadi, District Kolhapur, Maharashtra – 415101
Tel: 0231 2656004; **Fax:** 0231 2653378

Corporate Office: 3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M. Karve Road, Churchgate, Mumbai – 400020
Tel: 022 22822321/2; **Fax:** 022 22822325

Contact Person: Ms. Sampada Sawant, Manager Legal and Company Secretarial Affairs
Website: www.polsonltd.com **Email:** sampada@polsonltd.com

Promoters of the Company: Sushila Jagdish Kapadia, Amol Jagdish Kapadia, AJI Commercial Private Limited, Oriental Pharmaceutical Industries Limited and The New Commercial Mills Company Limited.

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF POLSON LIMITED ONLY

LETTER OF OFFER

ISSUE OF 14,951 FULLY PAID UP EQUITY SHARES OF FACE VALUE RS. 50 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF RS. 5600 PER EQUITY SHARE INCLUDING A PREMIUM OF RS. 5550 PER EQUITY SHARE AGGREGATING TO RS. 837.26 LACS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ON RIGHTS BASIS IN THE RATIO OF 31 FULLY PAID UP EQUITY SHARE FOR EVERY 39 FULLY PAID UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON April 06, 2016 ("THE ISSUE"). THE ISSUE PRICE PER EQUITY SHARE IS 112 TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER "TERMS OF THE ISSUE & ISSUE PROCEDURE" ON PAGE 165.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities being offered in the issue have not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document."

Specific attention of investors is invited to the statement of "Risk factors" starting from page number **viii** under the section "General Risks"

ISSUER'S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to the issuer and the issue, which is material in the context of the issue, that the information contained in the Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING ARRANGEMENTS

The existing Equity Shares of our Company are listed on BSE Limited (BSE). The in-principle approval has been received from BSE for listing of the securities proposed to be allotted through this issue vide BSE's letter dated **December 08, 2014**. For the purpose of this issue the Designated Stock Exchange is BSE.

LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE	
SOBHAGYA CAPITAL OPTIONS LTD. SOBHAGYA CAPITAL OPTIONS LIMITED Regd. Off.: B-206, Okhla Industrial Area, Phase- I, New Delhi- 110020. Tel. No.: +91-11-40777000 Fax No.: +91-11- 40777069 Email id: delhi@sobhagyacap.com Website: www.sobhagyacapital.com SEBI Registration No.: MB/INM000008571 Contact Person: Mr. Abhishek Jain and Ms. Prapti Abbey		 PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED Unit no. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai 400 011 Tel No.: +91 22 2301 6761 / 8261 Fax No.: +91 22 2301 2517 Email id: purvashr@mtnl.net.in Website: www.purvashare.com SEBI Registration No. INR000001112 Contact Person: Mr. Rajesh Shah	
ISSUE PROGRAMME			
ISSUE OPENS ON: May 11, 2016		ISSUE CLOSES ON: May 25, 2016	
		LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS: May 18, 2016	

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SECTION I- GENERAL

DEFINITIONS / ABBREVIATIONS

TECHNICAL TERMS & ABBREVIATIONS

TECHNICAL TERMS

In this Letter of Offer, the terms "we", "us", "our", "the Company", "our Company" or "Polson", unless the context otherwise implies, refer to Polson Limited. All references to "Rs." or "Re." or "INR" refer to Rupees, the lawful currency of India, "USD" or "US\$" refer to the United States Dollar, the lawful currency of the United States of America, references to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable, and the words "Lakh" or "Lac" means "100 thousand" and the word "million" or "mn" means "10 lacs" and the word "crore" means "10 million" or "100 lacs" and the word "billion" means "1,000 million" or "100 crores". Any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

ABBREVIATIONS

Term	Description
AGM	Annual General Meeting.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
CAF	Composite Application Form.
CDSL	Central Depository Services (India) Limited.
CEPS	Cash Earnings Per Share.
CY	Calendar Year.
DP	Depository Participant.
BSE	BSE Limited
EPS	Earnings Per Share.
ESI	Employee State Insurance.
FEMA	Foreign Exchange Management Act, 1999 and rules and regulations thereunder and amendments thereto.
FDI	Foreign Direct Investment.
FII	Foreign Institutional Investors registered with SEBI under applicable laws.
SCSB	Self Certified Syndicate Banks.
GDP	Gross Domestic Product.
GOI	Government of India
ICAI	Institute of Chartered Accountants of India.
ITAT	Income Tax Appellate Tribunal.
MoU	Memorandum of Understanding.
NECS	National Electronic Clearing Service.
NR	Non Resident.
NRI(s)	Non Resident Indian(s).
NSDL	National Securities Depository Limited.
OCB	Overseas Corporate Body.
PAN	Permanent Account Number.
RBI	Reserve Bank of India.
SAF(s)	Split Application Form.
SCB	Scheduled Commercial Banks.
SEBI	Securities and Exchange Board of India.
PBDT	Profit Before Depreciation and Tax.
ROI	Return on Investment.
CIN	Corporate Identification Number.

IEC	Importer Exporter Code.
RTGS	Real Time Gross Settlement.
STT	Securities Transaction Tax.
VAT	Value Added Tax.
WTD	Whole –Time Director.
SLM	Straight Line Method of Depreciation.
FIPB	Foreign Investment Promotion Board.

CONVENTIONAL / GENERAL TERMS

TERM	DESCRIPTION
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
Act or Companies Act	Companies Act, 1956 , as amended (without reference to the sections thereof that have ceased to have effect upon notification of sections of the Companies Act, 2013) (the "Companies Act, 1956") read with the applicable provisions of the Companies Act, 2013, to the extent notified and in effect (the "Companies Act, 2013"), and together with the Companies Act, 1956, the "Companies Act")
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
Bppa	Basis points per annum
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CRAR	Capital to Risk Assets Ratio
CIN	Corporate Identity Number
CFO	Chief Financial Officer
Depositories	NSDL and CDSL
CIT	Commissioner of Income Tax
Depositories Act	Depositories Act, 1996 as amended from time to time
DER	Debt Equity Ratio
DIN	Director Identification Number
DP ID	Depository Participant's identification
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPS	Unless otherwise specified, Earnings Per Share, i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares during that fiscal year.
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
F&NG	Father and Natural Guardian
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder as amended from time to time
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time

FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India
Financial Year/ Fiscal/ FY	Period of twelve months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FPI	Foreign Portfolio Investor
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
GDP	Gross Domestic Product
GoI / Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICSI	Institute of Company Secretaries Of India
IFRS	International Financial Reporting Standard
Income Tax Act	The Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
IT	Information Technology
ITES	Information Technology Enabled Services
JV	Joint Venture
Mn / mn	Million
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N.A.	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
Non Institutional Investor/NII	An investor other than a retail individual investor and qualified institutional buyer
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of up to 60% by NRIs including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in this Issue
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert

PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Persons of Indian Origin
PLR	Prime Lending Rate
QFI	Qualified Foreign Investor
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
RoE	Return on Equity
RoNW	Return on Net Worth
RoW	Rest of the World
Rs./INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
Sec.	Section
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI FII Regulations	SEBI (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Stamp Act	The Indian Stamp Act, 1899
State Government	The Government of a State of India
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited.
STT	Securities Transaction Tax
UIN	Unique Identification Number
US / USA	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended from time to time

ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer	The abridged Letter of Offer to be sent to the Eligible Equity Shareholders as on the Record Date with respect to this Issue in accordance with SEBI ICDR Regulations.
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used by an Investor to make an application authorizing the SCSB to block the amount payable on application in their specified bank account.

ASBA Investor	Eligible Equity Shareholders proposing to subscribe to the Issue through ASBA process and who • holds the Equity Shares in dematerialised form as on the Record Date and has applied towards his/her Rights Entitlements or additional Rights Equity Shares in the Issue in dematerialised form; • has not renounced his/her Rights Entitlements in full or in part; • is not a Renouncee to the issue; and • applies through a bank account maintained with at least one of the SCSBs It is clarified that QIBs and Non-Institutional Investors are mandatorily required to make use of ASBA.
Auditor	The Statutory Auditors of our Company, namely M/s A. S. Madon & Co., Chartered Accountants, having their office at 79/80, 2nd Floor, Esplanade Mansion, Kala Ghoda, Fort, Mumbai - 400001
Articles/ Articles of Association	The articles of association of our Company
Board/ Board of Directors	Board of Directors of our Company including any committees thereof.
Bankers to the Issue	Axis Bank Limited , Ground Floor, Eros Coryorate Tower, Nehru Place, New Delhi - I10019.
Consolidated Certificate	In case of physical certificate, our Company would issue one certificate for the Equity Shares allotted in one folio.
Composite Application Form/CAF	The Form used by an Investor to make the application for allotment of Equity Shares in the Issue
SCSBs	Such branches of the SCSBs which coordinate applications under the Issue by the ASBA Investors with the Registrar to the Issue and the Stock Exchanges, a list of which is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Stock Exchange	BSE Limited
Letter of Offer	This Letter of Offer dated March 25, 2016 filed with SEBI.
Equity Share(s) or Share(s)	Equity shares of our Company having a face value of Rs. 50 each unless otherwise specified in the context thereof.
Eligible Equity Shareholder	Means a holder of Equity Shares of our Company as on the Record Date (excluding the Promoters and Promoters Group of our Company)
Financial Year/ Fiscal/ Fiscal Year/ FY	Any period of twelve months ended March 31 of that particular year, unless otherwise stated.
Issue	Issue of 14,951 fully paid up Equity Shares of face value Rs. 50 each ("Equity Shares") for cash at a price of Rs. 5600 per Equity Share including a premium of Rs. 5550 per Equity Share aggregating to Rs. 837.25 Lacs to the Eligible Equity Shareholders on rights basis in the ratio of 31 fully paid up Equity Share for every 39 fully paid up Equity Shares held by the eligible equity shareholders on the record date, that is on April 06, 2016
Issue Closing Date	May 25, 2016
Issue Opening Date	May 11, 2016
Issue Price (Rs.)	Rs. 5600 per Equity Share
Investor(s)/Applicants	Eligible Equity Shareholder as on Record Date and/or Renouncees applying in the Issue.
Lead Manager	Sobhagya Capital Options Limited

Letter of Offer	Means the letter of offer to be filed with the Stock Exchanges after incorporating SEBI comments on the Letter of Offer
Listing Agreement	Our Company's equity listing agreements entered into with BSE
Memorandum/ Association	Memorandum of Association of our Company.
Promoters	Sushila Jagdish Kapadia, Amol Jagdish Kapadia, Aji Commercial Private Limited, Oriental Pharmaceutical Industries Limited and The New Commercial Mills Company Limited.
Promoter Group	Includes the Promoters and the Companies forming part of the Promoter Group as defined in the Chapter Titled "Promoters" on page 82 of this Letter of Offer.
Record Date	The record date means April 06, 2016, fixed for the determination of names of the Equity Shareholders who are entitled for shares in the Issue.
Refund through electronic transfer of funds	Refunds through NECS, Direct Credit, RTGS or NEFT as applicable.
Registrar of Companies/ RoC	Registrar of Companies, Pune, PMT Building, Pune Stock Exchange, 3rd Floor, Deccan Gymkhana, Pune – 411004
Renouncees	Any persons who have acquired Rights Entitlements from the Eligible Equity Shareholders.
Rights Entitlement	The Equity Shares are being offered on rights basis to the Eligible Equity Shareholders in the ratio of 31 Equity Share for every 39 Equity Shares held on the Record Date.
Registrar to the Issue	Purva Sharegistry (India) Private Limited, having their office at Unit no. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai 400 011
Share Certificate	The certificate in respect of Equity Shares allotted in the Right issue.
Stock Exchange	BSE, where the Equity Shares are presently listed
Working Days	All days, other than a Sunday or a public holiday on which commercial banks are open for business, provided however, with reference to Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India. For the purpose of the time period between the Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all days excluding second and fourth Saturdays, Sundays and bank holidays in India, in accordance with SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010 and notification F. No.4/1/7/2015-IR dated August 20, 2015 issued by the Department of Financial Services, Ministry of Finance, Government of India.

COMPANY/INDUSTRY RELATED TERMS

Term	Description
D.G	Diesel Generator
DM	De-Mineralized
FIFO	First in First Out
GOI	Government of India
HDPE	High Density Polyethylene
HP	Horse Power
JNPT	Jawaharlal Nehru Port Trust
Kcal	Kilo Calories
Kg	Kilograms

KL	Kilo Litres
KVA	Kilo Volt Ampere
KWh	Kilo Watt Hour
LDO	Light Diesel Oil
Ltrs	Litres
MW	Mega Watt
MIDC	Maharashtra Industrial Development Corporation
MSEB	Maharashtra State Electricity Board
MTPA	Metric Tonnes Per Annum
OH Groups	Oxygen- Hydrogen Group
Ph	Potential of Hydrogen (A measure of the degree of the acidity or the alkalinity of a solution as measured on a scale of 0-14)
R&D	Research & Development
RPM	Rotations Per Minute
QA	Quality Assurance
QC	Quality Control
cGMP	Current Good Manufacturing Practices
CRAMS	Contract Research and Manufacturing Services
CTD	Common Technical Document
EMRs	Exclusive Marketing Rights
EPCG Scheme	Export Promotion Capital Goods Scheme
ETP	Effluent Treatment Plant
FBD	Fluid Bed Dryer
HVAC	Heating, Ventilation and Air Conditioning
MNC	Multi National Corporation
PCB	Pollution Control Board
R&D	Research and Development
SS	Stainless Steel
SSR	Stainless Steel Reactor
TRIPS	Agreement on Trade Related Aspects of Intellectual Property Rights, 1994

SECTION II- RISK FACTORS

FORWARD LOOKING STATEMENTS

We have included statements in this Letter of Offer which contain words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “may”, “shall”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward- looking statements”.

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with the Company’s expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which the Company has its businesses or proposes to have its business, and the Company’s ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, its exposure to market risks, competitive landscape, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated fluctuations in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the Company’s industries.

Important factors that could cause actual results to differ materially from the Company’s expectations include, among others:

- # General economic and business conditions;
- # Company’s ability to successfully implement its strategy, its growth and expansion plans, and technology initiatives;
- # Increase in labour cost, raw materials price, cost of plant & machinery and insurance premia;
- # Manufacturers’ defects or mechanical problems with Company’s plant & machineries or incidents caused by human error;
- # Ability to retain management team and skilled personnel;
- # Changes in the value of the Indian Rupee and other currencies;
- # Amount that the Company is able to realize from the clients;
- # Potential mergers, acquisitions or restructurings;
- # Changes in fiscal, economic or political conditions in India;
- # Social or civil unrest or hostilities with neighboring countries or acts of international terrorism;
- # Changes in the foreign exchange control regulations, interest rates and tax laws in India.

For further discussion of factors that could cause the Company’s actual results to differ, please refer to the section titled “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page nos. Viii, 48 and 142 respectively, of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, its Directors and Officers, any Member of Issue Management Team nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

PRESENTATION OF FINANCIAL AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this Letter of Offer is derived from the restated financial statements as of and for the years ended March 31, 2011, 2012, 2013, 2014 and 2015 prepared in accordance with Indian GAAP, the Companies Act, 1956 and restated in accordance with SEBI Regulations, as stated in the report of the Statutory Auditors of the Company, M/s A. S. Madon & Co., Chartered Accountants beginning from page no. 99 of this Letter of Offer. The fiscal year commences on April 1 and ends on March 31.

In this Letter of Offer, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lakh" or "Lac" means "one hundred thousand" and the word "million" means "ten lacs" and the word "Crore" means "ten million". In this Letter of Offer, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Throughout this Letter of Offer, all figures have been expressed in Lacs, unless otherwise stated. All references to "India" contained in this Letter of Offer are to the Republic of India. All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to US\$, USD, or US Dollars are to the United States Dollars, the legal currency of the United States of America.

For additional definitions used in this Letter of Offer, see the section "Definitions and Abbreviations" beginning from on page no. i of this Letter of Offer. In the section entitled "Main Provisions of the Articles of Association" on page no. 200 of this Letter of Offer, defined terms have the meaning given to such terms in the Articles of Association of the Company. Market and Industry data used throughout this Letter of Offer has been obtained from industry publications and other authenticated published data.

Market Data

Unless stated otherwise, industry data used throughout this Letter of Offer has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. The data used from these sources may have been reclassified for the purpose of presentation. Although the Company believes the industry data used in this Letter of Offer to be reliable, it has not been independently verified. Similarly, internal Company reports, while believed by the Company to be reliable, have not been verified by any independent sources.

RISK FACTORS

RISK FACTORS ENVISAGED BY MANAGEMENT

An investment in securities involves a high degree of risk. You should carefully consider all of the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the securities offered pursuant to the present issue. If any of the following risks actually occur, the business, financial condition and results of operations could suffer, the trading price of the securities could decline, and all or part of the investment may be lost.

Materiality

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impacts in future.

Internal Risk Factors envisaged by management relating to Our Business and proposal to address the same

1. The price of the Equity Shares of the Company has been extremely volatile in the recent past.

The price of the Equity shares of the Company has experienced very high volatility in the past year. Since the relisting of the Company on BSE Limited in January 2012, there have been very high fluctuations in the price of the Equity Shares. Further, since the announcement of the Rights Issue by the Company during May 2014, there has been constant increase in the quoted price of the Company on BSE. During the period commencing from announcement of Rights Issue by the Company, till date, the quoted price of the Equity Shares of the Company has a witnessed low of Rs. 1900 and high Rs. 10, 448. There is no guarantee that the price of the Equity Share of the Company will maintain such growing trend in the future as well. The investors should note that they risk losing a substantial part of the investment that they may make in the Rights Issue of the Company, owing to the high volatility in the price of the Equity Shares of the Company.

Month	High (Rs.)	Date of High	No. of equity shares traded	Low (Rs.)	Date of Low	No. of equity shares traded	Volume of Securities traded (No. of equity shares)
March 2016	7481	March 23, 2016	6	6161	March 17, 2016	1	93
February 2016	6700	February 02, 2016	11	6100	February 24, 2016	1	44
January 2016	7200	Jan 05, 2016	21	6400	Jan 14, 2016	5	68
December 2015	6868	Dec 23, 2015	14	6200	Dec 24, 2015	24	57
November 2015	7098	Nov 04, 2015	19	6201	Nov 18, 2015	2	83
October 2015	6998	Oct 23, 2015	25	6300	Oct 06, 2015	5	56

2. SEBI has vide its order dated June 04, 2013, frozen some of the voting rights and corporate benefits of our Promoter Group

SEBI had vide its circular dated June 04, 2010, amended the Securities Contract (Regulation) Rules, 1957 (SCRR), whereby it amended Rule 19(2)(b) and introduced Rule 19A. In terms of the requirements set forth in the newly introduced Rule 19A, every listed company was required to maintain shareholding of at least 25%. The Rule further

stated that listed company which had public shareholding below 25% was required to increase its public shareholding to atleast 25% within a period of 3 years. Further, SEBI vide its order no. WTM/PS/08/CFD/JUNE/2013 dated June 04, 2013, had passed certain directions against the promoters/ promoters group and directors of the non-compliant companies, whose names are mentioned in the said order. Accordingly, in terms of the said order, SEBI has frozen some of the voting rights and corporate benefits of the Promoter Group of the Company, prohibited the promoters/promoters group and directors of the Company from buying, selling or otherwise dealing in securities of the Company, either directly or indirectly, restrained the shareholders forming part of promoter/promoter group of the Company from holding any new position as a director in any listed company and restrained the Directors of the Company from holding any new position as a Director in any listed Company.

However, SEBI may in future take any other action against the Company, its Promoters and/or its Directors including but not limited to levying monetary penalty under adjudication proceedings, initiating criminal proceedings by way of prosecution proceedings, moving the scrip to Trade-to-Trade Segment, excluding the scrip from F&O Segment and any other action/direction as it may deem appropriate.

3. The trading of equity shares of our company was suspended from BSE Limited for approximately a decade.

Our Company's shares are listed on BSE Limited. The scrip of company was suspended from trading on the BSE w.e.f. April 2002 for giving effect to reduction of share capital of the Company. However, on account of negligence on part of the Company the suspension got revoked only on January 04, 2012. This caused immense hardship to the shareholders who did not have liquidity for their investment in Polson for almost a decade. We cannot assure you that such an event may not occur again.

Further, the shares of the Company are infrequently traded and on an earlier occasion were listed in the periodic call auction segment of BSE Limited. There is no certainty with regards to the trading volumes of the Company's shares and hence there is no guarantee that the Company's shares will not be moved to the periodic call auction segment of BSE Limited in future. This illiquidity can pose added hardships for the shareholders.

4. Our Company has delayed in complying with certain provisions of the Listing Agreement and any delayed filings/non compliance in the future could attract disciplinary action from SEBI and the Stock Exchanges.

Our Company has delayed in complying with some of the provisions of the Listing Agreement. Since the date of re-listing of the equity shares of our Company on the BSE, we have delayed in making some of the filings that were to be made by our Company under the Listing Agreement within the stipulated time period. Some prominent non-compliances being, delay in filing of Annual Accounts and non-compliance with clause 49 of the Equity Listing Agreement. Such non-compliances could attract disciplinary action from SEBI and the Stock Exchanges including imposition of monetary penalties.

5. We do not have access to records and data pertaining to certain historical legal and secretarial information, including with respect to issuance of shares and amendments in our MoA.

We have been unable to locate many of our important corporate records. Our Company was incorporated on December 21, 1938 and the management of our Company was transferred to the current Promoters of the Company in the year 1970. For the years 1938 to 2013 many important records and documents, including forms filed with the Registrar of Companies, Minutes books, Statutory Registers, Documents relating to the IPO of the Company, Takeover of the Company by the present promoters, Share Transfers, Cost of acquisition of shares, details with respect to acquisition price and consideration of shares acquired by the Promoters of the Company, documents evidencing the amendments to our MoA including details pertaining to increase in

Authorised Capital from Rs. 10 Lakhs to Rs. 1 Crores, issue of shares, details pertaining to the Initial Public Offer and Bonus Issue by the Company, details of the contract pursuant to which 5,000 Equity Shares were issued, the dates of reorganization of capital whereby One share of Rs. 500 each was divided into 5 shares of Rs. 100 each, changes in capital structure, details with respect to commission or brokerage paid on previous issues etc. are not available. Whilst we believe that material information required for Investors to make their investment decision in this Issue has been disclosed to the extent possible in this Letter of Offer, we are unable to make certain disclosures required under the SEBI (ICDR) Regulations in this Letter of Offer.

6. We do not own the trademark and unauthorised parties may infringe upon or misappropriate our intellectual property. This could have a material adverse effect on our business which in turn may adversely affect our results of operations

The trademark  is not yet registered in name of our Company. We had made an

application for registration of our trademark  under classes 01 to 45 to the Registrar of Trade Marks, Mumbai by an application dated January 17, 2011. The application for our trademark has been objected by the Registrar of Trademarks, Mumbai and the examination report reflects that the Trade Mark application is open to objection on relative grounds of refusal under Section 11 of the Act because the same/similar trade mark(s) is/are already on record of the register for the same or similar goods/services. The same has been replied to by the Company vide its replies dated September 26, 2012 and December 24, 2012. However, the same is pending further revert from the Registry. There is no assurance that the application for the registration

of our  trademark will be approved by the Trade Marks Registry, Mumbai. Although, the registration for the said trademark in our name is important to retain our brand equity. We do not currently have any registered trademark and we do not enjoy any statutory protection under the Trade Marks Act, 1999 for the aforesaid trademark. Failure to protect our intellectual; property rights may adversely affect our competitive business position, financial conditions and profitability. Our trademark application may not be allowed or competitors may challenge the validity or scope of our intellectual property. In addition, the precautions we take to protect our intellectual property rights, may be inadequate and/or it is possible that third parties may copy or otherwise obtain and use our intellectual property without authorization or otherwise infringe on our rights for which we may need to undertake expensive and time consuming litigation to protect our intellectual property rights and this may have an adverse effect on our business prospects, results of operations and financial condition.

Further, if our unregistered trademark is registered by a third party, we may not be able to make use of such trademark in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with our company. Until such time that we receive registered trademark, we can only seek relief against passing off. Accordingly, we may be required to invest significant resources in developing a new brand.

7. The Company does not own its corporate office from which it operates.

The Company does not own the premises on which its corporate office is located. The Company's Corporate Office is located on a premise which is owned by one of the Promoter Group Companies and is used by the Company on rental basis. Further, The Memorandum of Understanding for its Registered Office is not registered as per the requirements of Section 17 of the Registration Act, 1908. For more information see "Business Overview" on page 48 of this Letter of Offer.

Management Perception: The property is owned by one of the Promoter Group companies which is directly controlled by the Promoters of Polson.

8. Our Promoters have interests other than reimbursement of expenses incurred or normal remuneration or benefits.

The location where the Corporate Office of the Company is located is owned by M/s Europa Chemicals Private Limited a Company belonging to Promoter Group, which is directly controlled by the Promoters of the Company. The Company is paying a lease rental of Rs. 7,500 per month to M/s Europa Chemicals Private Limited, in terms of Memorandum of Understanding dated May 04, 2006.

9. Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been independently appraised. Any inability on our part to effectively utilise the Issue Proceeds could adversely affect our financials.

The funds raised under this Issue will be used for meeting additional long term working capital requirements and general corporate purposes. The objects of the Issue, with respect to working capital requirements, are based on management estimates and have not been appraised by any bank or financial institution. Utilization of the funds raised in the Issue is not subject to monitoring by any independent agency. Any inability on our part to effectively utilise the Issue Proceeds could adversely affect our financials. Further, such estimates are based on market conditions and management expectations as of the date they were made. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. However, utilization of Issue proceeds would be disclosed to shareholders in the manner required under the Listing Agreement.

10. Our statutory auditors have qualified their audit report on our financial statements as of and for the year ended March 31, 2015.

Our statutory auditors qualified their audit report for the year ended of March 31, 2015:

- (i) in respect of the Company not having maintained proper records showing full particulars, including quantitative details and situation of the fixed assets, and
- (ii) in regard to the Company not having an adequate internal audit system commensurate with the size and the nature of its business.

The financial impact of the said qualifications is not quantifiable.

11. The Company has experienced negative cash flows in some of the previous years.

The Company has experienced negative cash flows in some of the previous years.

The details of the last 5 years are as under:

(Amount in Rs.)					
PARTICULARS	2015	2014	2013	2012	2011
Net increase in Cash and Cash equivalents	(3,58,92,606)	22,65,880	(42,78,130)	3,44,04,818	67,22,850

Source: Restated Standalone Financial Statements of the Company

12. There are certain Loss making companies among our Group companies

There are certain group companies which are incurring losses for last few years. The details of the same are as follows:

(Amount in Rs.)					
S.	Name of the Company	31.03.2015	31.03.2014	31.03.2013	

No.					
1.	AJI Commercial Private Limited	12,502	10,088	(5,655)	
2.	Awas Meadows Coriander Farms Private Limited	(9,600)	(18,142)	(35,131)	
3.	RUK Chemicals Private Limited	(63,271)	(36,454)	(74,699)	
4.	Polson Butter Private Limited	(12,920)	(13,120)	(9,320)	
5.	Europa chemicals Asia Private Limited	(12,545)	(13,220)	(9,420.00)	

13. Rise in Input Costs may affect profitability

The input costs of the Services of the Company may increase due to various reasons. In case the Company is not able to pass on such increase to its customers because of competition or otherwise, it may affect the profitability of the Company. Prices of inputs may tend to remain very volatile. The prices of inputs we purchase from our suppliers may fluctuate due to changes in demand and supply conditions for these inputs in the markets. In the event of any significant increase in the prices of these inputs and if we are unable to pass on fully such increase in the prices to our customers, our profitability will be adversely affected.

14. Contingent Liabilities as on March 31, 2015:

As per the Audited Financial Statements, the Company has certain contingent liabilities, which, if determined against it in future, may impact its financial position, adversely. All these contingent liabilities have not been provided for by the Company. Details of the said contingent liabilities as on March 31, 2015 are given in the following table

Particulars	As at 31.3.2015
Contingent liabilities in respect of :	
Claims against the company not acknowledged as debt	-
Guarantees	-
Other moneys for which the company is contingently liable	-
Commitments (to the extent not provided for)	
Estimated amount of contracts remaining to be executed on capital account and not provided for	-
Uncalled liability on shares and other investments partly paid	-
Other commitments*	4,76,30,583
Total	4,76,30,583

Source: Restated Standalone Financial Statements of the Company

* The 'other commitments' amounting to Rs. 4.76 Crores are on account of counter claim made by Modipon Limited in the matter of Polson Limited Vs. Modipon Limited, Case No. 378/1997. The details of the same are mentioned on page 150 of the Letter of Offer.

Besides the above there are no contingent liabilities that are not provided for by the Company.

15. There is a possibility of adverse impact on us in the event of the following litigations being decided against us

There is litigation outstanding against us that may have an adverse impact if decided against us. Although no liability has been frozen in regard to the cases but in the event the litigations are decided against Polson Limited, the Company would be liable to pay the amount of Rs. 4,76,30,583 which would cause an adverse financial impact on us.

For further details of these litigations kindly refer to page no. 150 of this Letter of Offer.

16. Our Company has not paid dividends in the past. There is no guarantee that we

will be able to pay dividends in the future.

Our Company has not paid any dividend (including any interim dividend) on its shares during the preceding 5 financial years. Further, our ability to pay dividends in the future will depend upon a variety of factors, including but not limited to our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements, if any. As a result, we cannot assure you that we will pay dividends of any particular amount, with any particular frequency or at all.

17.The deployment of the issue proceeds expected to be received pursuant to the present issue is entirely at the discretion of the issuer and is not subject to any monitoring by any independent agency.

18.Our business is dependent on our manufacturing facilities. The loss of or shutdown of operations at any of our manufacturing facilities may have a material adverse effect on our business, financial condition and results of operations.

Our three manufacturing facilities that are located at Kolhapur are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, continued availability of services of our external contractors, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. Although we take precautions to minimize the risk of any significant operational problems at our facilities, including insurance coverage, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our facilities, including due to any of the factors mentioned above.

19.We may be subject to restrictive covenants under the Term Loans and other facilities provided to us by our lender(s).

We have availed certain Term Loans and other facilities from our bankers. As per the agreements executed with the bankers, there are certain restrictions imposed on us. As per these restrictions the Company requires Bank's prior approval for making changes in its Equity, Management and Operating structure, issue any guarantees etc without the lender's prior written consent during the currency of the said loan or facility.

Management Perception: The Company has already obtained all requisite consents from its Bankers.

20.We operate in overseas markets and may, in future, continue to access markets which are new to us. Our limited experience in facing entry barriers including stringent regulatory requirements in such markets, may adversely affect our business, financial conditions and results of operations.

We cannot assure that despite our commercial understanding with respect to these markets, we will be able to achieve the desired results. Our failure to successfully enter and establish our presence in other newer markets that we may enter into in future could affect our business and results of operations.

21.Our agreements with customers expose us to certain risk, which may negatively impact our revenue and profitability.

In the agreements with our customers, we are required to deliver the goods to the customer within the scheduled time lines. Further, each order is customized to the customer's requirement. Termination of agreement, inadequate performance and/or failure on our part or any third party to meet quality and/or scheduled timelines set by our customers could result in a loss of our business and could materially or adversely affect our business, profit and results of operation.

We have litigation against one of our customer, M/s Modipon Limited regarding recovery of damages on account of non performance of contractual obligations. Our Company had vide their plaint dated June 23, 1997 claimed damages of Rs. 31,450,448/-. The details of the same have been mentioned in *Section VI, Legal and Other Information on page no. 150 of this Letter of Offer.*

22.The Company's success depends in large part upon its management team and skilled personnel and its ability to attract and retain such persons

Company's future performance may be affected by the discontinuation of service of its management team and skilled personnel. The Company may face a challenge to recruit and retain a sufficient number of suitably skilled personnel. Retention of personnel leaves companies with rising wage bills. There is also significant competition for managerial and other skilled personnel in this industry, and it may be difficult to attract and retain the personnel that the Company needs in the future. The loss of key personnel may have an adverse effect on the business of the Company, results of operations, financial condition and its ability to grow.

23.Our operations could be adversely affected by any statutory and/or regulatory requirements pertaining to labour, strikes, work stoppages or increased wage demands by our employees and/or contract labourers or any other kind of disputes with our employees and/or contract labourers.

Our operations are highly labour intensive and we employ a combination of in-house labour and contract labourers in our manufacturing facilities. Though historically, we have not faced any labour related disputes or disruptions, there can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our operations.

Further, we enter into contracts with independent contractors to complete specified assignments and these contractors are required to source the labour necessary to complete such assignments.

Although we do not engage these labourers directly, it is possible under Contract Labour (Regulation and Abolition) Act, 1970, and judicial interpretation of the provisions thereof, that we may be held responsible for wage payments and/or compensation for accidents and/or death at the work site in the course of employment to labourers engaged by contractors should the contractors default on wage and/or compensation payments. Any requirement to fund such payments may adversely affect our profitability.

24.If supply of raw material gets delayed or the material gets stolen it may bring penal consequences and liquidated damages.

We may become dependent on suppliers for supply of material and if, in any circumstances, supply gets delayed or material lying at site gets stolen, in spite of due care, or we may not be able to get right of way in time, it may result in delay in completion of project or the suspension or abandonment of the project which may bring liquidated damages and penal action against us. Delay in getting right of way may bring more hardship for us.

25.If we are not able to implement our business strategy effectively, it may have an adverse impact on our business, financial condition and results of operations.

The success of our business will depend greatly on our ability to effectively implement the business and growth strategy on time, failing which our business, financial condition and results of operations might be adversely affected.

26.Change in Technology and trends in the industry may affect Company's ability to compete. Any failure to keep abreast of the latest trends in the Leather Industry may adversely affect the competitiveness and ability of the Company to compete with newer generation products.

27. Our Company regularly enters into transactions with related parties. In the event of default of payment from any one of such parties our financial position could be adversely affected.

Our Company regularly enters into certain business transaction with its group companies. These can be in the form of unsecured loans, sale/purchase of materials, execution of contracts etc. Any default in payment from any of the related parties could adversely impact our financial position. For details of the same kindly refer to pages 120 of the Letter of Offer.

The amount of Related Party Transactions entered into by the company is reproduced below:

Standalone (In Rs.)

F.Y.2014-15	F.Y.2013-14	F.Y.2012-13
68,37,94,273	640,563,323	56,50,50,006

28. Members of our Promoters Group will continue to retain significant control in our Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.

After this Issue, members of our Promoters group will beneficially hold approximately 75% of our post-Issue Equity Share Capital. As a result, our Promoters Group will have the ability to exercise significant influence over the matters requiring shareholders' approval, including the election of Directors and approval of significant corporate transactions. The Promoter Group will also be in a position to influence the result of any shareholders' action or approval requiring a majority vote, except where they are required by applicable laws to abstain from voting. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.

EXTERNAL RISK FACTORS

1. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude.

2. Global recession and market conditions could cause our business to suffer.

The developed economies of the world viz. U.S., Europe, Japan and others are in midst of recovering from recession which is affecting the economic condition and markets of not only these economies but also the economies of the emerging markets like Brazil, Russia, India and China. General business and consumer sentiment has been adversely affected due to the global slowdown and there cannot be assurance, whether these developed economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets.

3. Any disruption in the supply of power, IT infrastructure, telecom lines and disruption in internet connectivity could disrupt our business process or

subject us to additional costs.

Any disruption in basic infrastructure or the failure of the Government to improve the existing infrastructure facilities could negatively impact our business since we may not be able to provide timely or adequate services to our clients. We do not maintain business interruption insurance and may not be covered for any claims or damages if the supply of power, IT infrastructure, internet connectivity or telecom lines is disrupted. This may result in the loss of a client, impose additional costs on us and have an adverse effect on our business, financial condition and results of operations and could lead to decline in the price of our Equity Shares.

4. Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods and drought in the past few years. Natural calamities could have a negative impact on the Indian economy and may cause suspension, delays or damage to our current projects and operations, which may adversely affect our business and our results of operations.

5. Outbreak of contagious diseases in India may have a negative impact on the Indian industry.

Recently, there have been threats of epidemics in the Asia Pacific region, including India, and in other parts of the world. If any of our people are suspected of having contracted any of these infectious diseases, we may be required to quarantine such people or the affected areas of our facilities and temporarily suspend part or all of our operations which would have a material adverse effect on our business, prospects, financial condition and results of operations and could cause the price of our Equity Shares to decline.

6. Terrorist attacks and other acts of violence or war involving India, the United States, and other countries could adversely affect the financial markets, result in a loss of business confidence and adversely affect our business, results of operations and financial condition.

Terrorist attacks and other acts of violence or war, including those involving India, the United States or other countries, may adversely affect Indian and worldwide financial markets. These acts may also result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations and financial condition. Increased volatility in the financial markets can have an adverse impact on the economies of India and other countries, including economic recession.

7. The price of our Equity Shares may be highly volatile, or an active trading market for its Equity Shares may not develop.

After this Issue, the price of our Equity Shares may be highly volatile, or an active trading market for our Equity Shares may not develop. The prices of our Equity Shares on the Stock Exchange may fluctuate as a result of several factors, including:

- Volatility in the Indian and global securities market;
- Our results of operations and performance, in terms of market share;
- Performance of the Indian economy;
- Changes in Government policies;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Perceptions about our future performance or the performance of Chemical companies generally;
- Performance of the Company's competitors in the Chemical Industry and market perception of investments in the Indian Chemical Industry;
- Adverse media reports on our Company or the Chemical Industry;
- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations.

8. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sale your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares is determined based on numerous factors (For further information please refer Chapter titled "Basis for Issue Price" beginning on page no. 33 of the Letter of Offer) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sale your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Changes in economic, legal and regulatory factors (both domestic and international) unrelated to our performance such as global recession, imposition of trade / non trade barriers and sanctions etc.

9. You will not be able to immediately sell any of our Equity Shares purchased through this Issue on Stock Exchange until the receipt of appropriate trading approvals from Stock Exchange.

Our Equity Shares will be listed on the BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Trading in the Equity Shares is expected to commence within twelve working days from the Issue closure date. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the prescribed time periods. Any delay in obtaining the approvals would restrict your ability to dispose of your Equity Shares.

Prominent Notes:

1. The investors may contact Sobhagya Capital Options Limited or the Compliance Officer for any complaint/ clarification/information pertaining to the Issue.
2. Net worth of the Company as on March 31 2015, is Rs. 4520.36Lacs on standalone basis.
3. The cost per share to the Promoters cannot be ascertained on account of insufficient data pertaining to historical transactions including details of takeover of the Company by the present Promoters.
4. The book value per share of Polson Limited as on March 31, 2015 is Rs. 3766.97 on standalone basis.
5. Issue of 14,951 fully paid up Equity Shares of face value Rs. 50 each ("Equity Shares") for cash at a price of Rs. 5600 per Equity Share including a premium of Rs. 5550 per Equity Share aggregating to Rs. 837.25Lacs to the Eligible Equity Shareholders on rights basis in the ratio of 31 fully paid up Equity Share for every 39 fully paid up Equity Shares held by the eligible equity shareholders on the record date, that is on April 06, 2016 (the "Issue"). The issue price per Equity Share is 112 times the face value of the Equity Share. For further details, please see the chapter "Terms of the Issue & Issue Procedure" on page 165.
6. The following group Companies have business interests or other interests in our Company:

Amount in Rs.

Transactions	Name of the Related Party	Value of Transaction as on March 31, 2015
Remuneration	Mr. Amol Kapadia - Managing Director	9,000,000
Sale of Goods	B.K.Giulini Specialities Pvt. Ltd.	307,851,328
	Europa Chemicals Pvt. Ltd.	16,535,491

Trade Receivable	B.K.Giulini Specialities Pvt. Ltd.	35,685,340
	Europa Chemicals Pvt. Ltd.	1,559,371
Loan and advances given	AJI Investment Pvt. Ltd.	13,800,000
	Europa Chemicals Pvt. Ltd.	4,700,000
	Lotus Mills Ltd	2,400,000
	Dudhwala Builders Pvt Ltd.	280,475,397
	AJK Investment Pvt. Ltd.	4,800,000
Loans and advances taken	AJI Investment Pvt. Ltd.	-
	New Commercial Mills Ltd.	-
	New Commercial Investment & Trading Ltd	-
	AJI Investment Pvt. Ltd.	-
	Oriental Pharmaceuticals Ind. Ltd.	-
	Mr. Jagdish J. Kapadia - Chairman	-
	Mrs. Sushila J. Kapadia - Directors	-
	Mr. Amol Kapadia - Managing Director	-
	AJI Commercial Pvt Ltd	-
Interest Paid	Europa Chemicals Pvt. Ltd.	-
	Mrs. Sushila J. Kapadia - Directors	186,554
	Oriental Pharmaceuticals Ind. Ltd.	1,024,384
	New Commercial Mills Ltd.	1,107,985
	AJI Investment Pvt. Ltd.	898,486
	New Commercial Investment & Trading Ltd	251,358
	Mr. Jagdish J. Kapadia - Chairman	31,752
	Europa Chemicals Pvt. Ltd.	839,996
Rent Paid	AJI Commercial Pvt. Ltd.	42,752
	Oriental Pharmaceuticals Ind. Ltd.	90,000
	Mrs. Sushila J. Kapadia - Directors	24,000
	Europa Chemicals Pvt. Ltd.	90,000
	Mr. Amol Kapadia - Managing Director	2,400,000

Source: Restated Standalone Financial Statements of the Company

7. Kindly refer to page no. 120 of this Letter of Offer for details of Related Party Transactions.
8. In accordance with Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, the Company has compiled the required information as per details provided on page no. 120 of this Letter of Offer. The total value of the related party transaction during the year 2014-15 was Rs. 6837.94 Lacs on standalone basis Kindly refer to page no. 120 of this Letter of Offer for details of Related Party Transactions.
9. The name of Polson Limited has not changed at any time during the last three years immediately preceding the date of filing Letter of Offer with SEBI.
10. There have been no financing arrangements whereby the promoter group, the directors of the Polson Limited and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing offer document with the SEBI.
11. There are no interests of promoters/directors/key management personnel other than reimbursement of expenses incurred or normal remuneration or benefits.
12. Investors are advised to refer to the paragraph on Basis for Issue Price on page no. 33 before making an investment in the issue.
13. Investors may note that in case of over subscription, the allotment shall be as per the procedure stated under the Para Basis of Allotment given on page no. 192.
14. The investors are advised to refer the Paragraph on promoter's background and past financial performance of the Company before making an investment in the proposed issue. For details of the same kindly refer to page 82 of this Letter of Offer.
15. There are no relationships with statutory auditors to the Company other than

auditing and certification of financial statements.

16. For the Contingent Liabilities not provided for as on March 31, 2015, please refer to Section Financial Information beginning on page no. 99 of this Letter of Offer.
17. All information shall be made available by the Lead Manager and the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.
18. There are no loans and advances made to any person(s) / companies in which directors are interested.

SECTION III- INTRODUCTION

SUMMARY OF INDUSTRY OVERVIEW

The chemical industry is an integral part of the growing Indian industry. It includes basic chemicals and their products, petrochemicals, fertilizers and agrochemicals, paints, varnishes, gases, soaps, perfumes & toiletries and pharmaceuticals. It is one of the most diversified of all industrial sectors, covering thousands of commercial products. This industry occupies a pivotal position in meeting basic needs and improving quality of life. The industry is the mainstay of industrial and agricultural development of the country and provides raw materials, intermediates and process chemicals for several downstream industries such as textiles, paper, paints and varnish, soaps, detergents, pharmaceuticals, agrochemicals etc.

According to estimates of the Central Statistical Office (CSO), chemicals and chemical products (Industry Division 24 of NIC 2004) accounted for 2.51% of the GDP (at 2004-05 prices) in 2012-13, compared to 2.53% in 2011-12. The share of this sector in the GDP from manufacturing sector at 2004-05 prices was 15.95% during 2012-13, compared to 15.55% in 2011-12. The annual average Indices of Industrial Production (compiled by the CSO) for chemicals and chemical products (Industry Division 24 of NIC 2004) for 2013-14 stands at 138.6 as compared to 127.3 for 2012-13, implying a growth rate of 8.9%. As per the estimates of the CSO, the size of the Indian Chemical industry in terms of value of output in the year 2012-13 was Rs. 7,82,949 crore.

[Source: Ministry of Chemicals and Fertilizers, Department of Chemicals and Petrochemicals, Annual Report 2013-14 (<http://chemicals.nic.in/english%20annual%20report%20new%20%20file%201-84.pdf>)]

For further details, please see the section on “Industry Overview” beginning from page no. 44 of this Letter of Offer.

SUMMARY OF BUSINESS OVERVIEW

Overview

Our Company was incorporated as Polson Limited on December 21, 1938, under the Indian Companies Act VII of 1913, with the Registrar of Companies, Bombay. The registration no. assigned to our Company was 002879. The CIN of the Company at present is L15203PN1938PLC002879.

Polson was originally incorporated to carry on the business of manufacturing dairy products. With government policy reserving the dairy sector for the Co-operative sector, Polson had no option but to end its dairy activities which it finally did in the year 1985. At present, the company is engaged in manufacturing of chemicals for the leather industry in India and overseas. In 1972, Polson acquired a vegetable tannin extract manufacturing company making natural products used as a de-scaling agent for steam engines and as a tanning agent for the leather industry. With the phase out of steam engines, escalating operating and raw material costs, small product range disadvantages, cheap import substitutes and a militant labor union, this unit was closed in August of 1998.

In September 1998, the Company restarted its operations in the same location, with the same plant and equipment after significant restructuring and a significantly modified business strategy. Two years later i.e. during the year 2000-01 sales and profitability increased 300% and the growth continued at aggressive growth rates thereafter.

The Company is currently engaged in the manufacture and sale of vegetable tannin materials and leather chemicals to leather industries in India and internationally. The Company offers vegetable tannin extracts, as well as organic and inorganic chemicals. Polson also exports its products internationally. The corporate office of the company located is headquartered in Mumbai and its manufacturing units are located at Kolhapur in Maharashtra.

The Company is engaged in manufacturing of following products:

S.No	Product Name
•	Kincitan KMN
•	Synktan VW Tanning Agent
•	Deacitan KMN
•	Corilene EG
•	Recortan BOS

For further details, please see the section on "Business Overview" beginning from page no. 48 of this Letter of Offer.

ISSUE DETAILS IN BRIEF

Pursuant to the resolution passed by the Board of Directors of the Company at its meeting held on May 24, 2014 it has been decided to make the following offer to the Eligible Equity Shareholders of the Company.

Equity Shares proposed to be issued by the Company	14,951 fully paid up Equity Shares of face value Rs. 50 each
Rights Entitlement	31(Thirty One) fully paid up Equity Share for every 39 (Thirty Nine) fully paid up Equity Shares held by the the Eligible Equity Shareholders of our Company on the Record Date, that is on April 06, 2016.
Record Date	April 06, 2016
Issue Price per Equity Share	Rs. 5600
Face value per Equity Share	50
Equity Shares outstanding prior to the Issue	1,20,000
Equity Shares outstanding after the Issue	1,34,951
Terms of the Issue	For more information, see "Terms of the Issue & Issue Procedure" on page 165 of this Letter of Offer.

SUMMARY FINANCIAL AND OPERATING INFORMATION

The following summary financial and operating information is derived from our restated financial statements as of for the fiscal years ended March 31, 2011, 2012, 2013, 2014 and 2015, as described in the Auditor's Report in the section titled "Financial Statements" beginning on page 99 of this Letter of Offer. These Financial statements have been prepared in accordance with the Indian GAAP, the Companies Act, 1956 and have been restated as required under SEBI Regulations.

The summary financial and operating information presented below should be read in conjunction with the financial statements, the notes thereto included in the sections titled "Financial Statements" and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 99 & 142, respectively, of this Letter of Offer.

In accordance with the requirements of Clause B.1 of Part II of Schedule II to the Companies Act, 1956/2013, we report that the profits of the Company for the above years are as set out below. These profits, have been arrived at after charging all expenses of manufacture, working and management including depreciation and after making such adjustments and regroupings as in our opinion are appropriate and are subject to the Accounting Policies being followed by the Company and notes given below:

THIS SECTION HAS BEEN INTENTIONALLY LEFT BLANK

SUMMARY STATEMENT OF ASSETS & LIABILITIES (STANDALONE RESTATED)

Restated Standalone Statement of Assets and Liabilities of Polson Limited						
Sr. No.	Particulars	Amount in Rs.				
		For the 3rd quarter year ended Dec 31, 2015	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
			Rs.	Rs.	Rs.	Rs.
	ASSETS					
1	NON-CURRENT ASSETS					
a.	Fixed Assets					
	Tangible Assets	855,101,974	826,310,704	290,408,702	298,744,144	305,118,516
	Intangible Assets					
	Capital Work-in-Progress				-	-
b.	Non-Current Investments	42,070	49,619,070	49,619,070	49,619,070	48,833,670
c.	Long Term Loans & Advances	196,413,135	312,422,381	227,071,175	227,253,039	185,843,590
d.	Deferred Tax Assets(Net)				-	-
e.	Other non-current assets					
	Non-Current assets	1,051,557,179	1,188,352,155	567,098,947	575,616,253	540,581,176
2	CURRENT ASSETS					
a.	Inventories	63,801,235	127,661,504	169,418,046	184,329,198	108,434,794
b.	Trade receivable	167,445,309	167,959,455	147,697,185	94,800,097	112,144,076
c.	Cash and cash equivalents	5,472,552	10,745,905	46,638,512	44,372,632	48,650,762
d.	Short-term loans and advances	258,677,307	297,417,223	232,315,595	195,656,628	80,245,077
e.	Other Current Assets					
	Current Assets	495,396,403	603,784,087	596,069,338	519,158,555	349,474,709
	TOTAL (1 + 2) - A	1,546,953,582	1,792,136,242	1,163,168,285	1,094,774,808	890,055,885
	LIABILITIES					
3	NON-CURRENT LIABILITIES					
a.	Long-term borrowings	618,541,136	608,713,981	374,477,431	386,641,575	307,266,243
b.	Deferred tax liabilities (Net)	9,453,410	4,223,331	1,990,200	2,021,788	757,241
c.	Other long term liabilities					
d.	Long-term provisions	2,142,314	1,737,811	1,196,810	-	-
	Non-Current Liabilities	630,136,860	614,675,123	377,664,441	388,663,363	308,023,484
4	CURRENT LIABILITIES					
a.	Short-term borrowings	216,546,072	299,788,944	217,429,076	191,105,105	178,062,207
b.	Trade payables	128,083,976	144,297,761	125,185,345	97,674,997	56,368,288
c.	Other Current liabilities	47,018,932	280,520,325	55,356,284	75,768,447	60,420,000
d.	Short-term provisions	8,926,393	817,466	974,456	424,436	3,243,300
	Current Liabilities	400,575,373	725,424,496	398,945,161	364,972,985	298,093,795
	TOTAL (3 + 4) - B	1,030,712,233	1,340,099,619	776,609,602	753,636,348	606,117,279
	NET WORTH (A - B)	516,241,349	452,036,624	386,558,683	341,138,460	283,938,606
	NET WORTH REPRESENTED BY:					
1	Share Capital	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
2	Reserve and Surplus	510,241,349	446,036,624	380,558,683	335,138,460	277,938,606
3	Share Application money pending Allotment					
	TOTAL SHAREHOLDERS FUND	516,241,349	452,036,624	386,558,683	341,138,460	283,938,606

SUMMARY STATEMENT OF PROFITS & LOSSES (STANDALONE RESTATED)

Restated Standalone Statement of Profit & Loss of POLSON Limited						
Particulars	Amount in Rs.					
	For the 3rd quarter year ended	For the years ended				
	Dec 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
INCOME						
Revenue from Operations	759,784,472	1,076,839,241	1,051,351,646	861,474,896	791,256,980	752,074,184
Less: Excise duty	(26,935,308)	(37,784,734)	(81,356,304)	(34,694,109)	(30,347,518)	(18,919,390)
Revenue from products manufactured	732,849,164	1,039,054,507	969,995,342	826,780,788	760,909,462	733,154,794
Revenue from products traded				-	-	0
Other Income	58,699,408	69,635,028	42,382,295	88,161,243	53,275,477	34,093,692
TOTAL INCOME - (A)	791,548,572	1,108,689,535	1,012,377,637	914,942,031	814,184,939	767,248,486
EXPENDITURE						
Cost of Materials	437,479,440	699,794,783	622,211,001	613,168,102	527,031,030	500,691,745
Purchases of Stock-in-Trade						
Changes in the Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26,484,654	(16,898,307)	12,465,220	(41,384,944)	(4,938,512)	(744,042)
Employee Benefit Expenses	36,456,000	45,136,898	39,041,853	36,865,884	26,306,279	23,472,325
Finance Costs	69,705,969	75,717,881	73,165,996	64,089,769	46,582,842	31,592,456
Depreciation	22,797,491	21,555,435	25,630,125	25,803,494	20,609,688	14,456,910
Other Expenses	162,589,132	187,606,557	173,206,218	136,294,117	133,226,952	106,159,572
TOTAL EXPENDITURE - (B)	755,512,686	1,012,913,247	945,720,413	834,836,422	748,818,279	675,628,966
Profit before exceptional items and Tax (A - B)	36,035,886	95,776,288	66,657,224	80,105,609	65,366,660	91,619,520
Exceptional Items - (C)	51,182,810			-	-	0
Profit before Tax - D = [A-B+C]	87,218,696	95,776,288	66,657,224	80,105,609	65,366,660	91,619,520
Tax Expense						
Current Tax	17,783,892	28,065,215	21,268,590	21,645,149	20,243,368	31,020,959
Deferred Tax Liability/(Assets)	5,230,079	2,233,131	(31,588)	1,264,547	943,510	386,332
Short provision for A.Y 2011-12		0	0			
Short provision for A.Y 2009-10		0	0			
Total Tax - (E)	23,013,971	30,298,346	21,237,002	22,909,696	21,186,878	31,407,291
Restated Net Profit after Tax F = (D-E)	64,204,725	65,477,942	45,420,222	57,195,913	44,179,782	60,212,229
Share of profits of Associates - G				-	-	0
Related Net Profit after Tax and Share of profits of Associates - (F + G)	64,204,725	65,477,942	45,420,222	57,195,913	44,179,782	60,212,229

SUMMARY STATEMENT OF CASH FLOWS (STANDALONE RESTATED)

Restated Standalone Statement of Cash Flows of POLSON Limited						
Particulars	Amount in Rs.					
	For the 3rd quarter year ended Dec 31, 2015	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012	For the year ended March 31, 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES						
1. Net Profit before Tax	87,218,696	95,776,288	66,657,224	80,105,609	65,366,660	91,619,520
2. Depreciation / Amortization	22,797,491	21,555,435	25,630,125	25,803,494	20,609,689	14,456,910
3. Interest expenses	69,705,969	72,947,074	67,662,374	61,373,408	43,792,406	31,592,456
4. Interest Income	(16,711,055)	(33,485,262)	(14,409,968)	(11,084,286)	(7,781,936)	5,364,381
5. Loss on sale of assets	0	421,380	198,091	(13,912,784)	67,612	0
6. CSR expenses	0	1,417,513				
7. Exchange Difference	13,281,819	12,614,015	19,691,585	10,695,965	-	0
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	176,292,920	171,246,443	165,429,431	152,981,406	122,054,431	143,033,267
CAPITAL CHANGES						
Adjustments for:						
8. Trade and Other Receivables	514,146	(20,262,270)	(52,897,088)	17,343,979	(20,929,860)	(9,099,180)
9. Inventories	63,860,269	41,756,542	14,911,152	(75,894,404)	(14,871,726)	(4,896,748)
10. Trade and Other Payables	(16,213,785)	19,112,416	27,510,348	41,306,709	(29,740,938)	4,550,372
11. Short Term Provisions for expenses	8,108,927	7,919,405	550,020	(518,188)	5,673,422	0
12. Deferred Tax Asset	-	-	-	-	39,412	(1,549,466)
13. Deferred Tax Liability	5,230,079	-	-	-	943,510	1,186,628
14. Long Term Provisions	404,503					
15. Other current Liabilities	(233,501,393)					
CASH (USED IN) FROM OPERATING ACTIVITIES	4,695,666	219,772,536	155,503,863	135,219,502	63,168,251	133,224,873
14. Direct taxes as per P & L account	(17,783,892)	(28,065,215)	(23,569,266)	(21,645,149)	(21,186,878)	(29,272,274)
15. CSR as per P & L account	-	(1,417,513)				
NET CASH FROM OPERATING ACTIVITIES 'A'	(13,088,226)	190,289,808	131,934,597	113,574,353	41,981,373	103,952,599
B. CASH FLOW FROM INVESTING ACTIVITIES						
16. Purchase of Fixed Assets	(15,556,565)	(558,134,067)	(17,542,774)	(24,820,270)	(68,892,281)	(135,720,077)
17. Interest Received	16,711,055	33,485,262	14,409,968	11,084,286	7,781,936	5,364,381
18. Sale of Fixed Assets	325,000	255,248	50,000	19,303,933	403,281	584,908
19. Investments purchased/sold	49,577,000	-	-	-	(785,400)	(48,791,600)
20. Long Term Loans and Advances given	116,009,246	(85,351,206)	2,482,540	(43,710,125)	(78,426,178)	0
21. Loans from Directors & security deposits	0	217,087,646	(20,412,163)	15,348,447	8,825,000	1,214,624
22. Short Term Loans & Advances received	38,739,916	(65,101,628)	(36,658,967)	(115,407,611)	81,677,671	(134,392,749)
NET CASH USED IN INVESTING ACTIVITIES 'B'	205,805,652	(457,758,745)	(57,671,396)	(138,201,340)	(49,415,971)	(311,740,513)
C. CASH FLOW FROM FINANCING ACTIVITIES						
23. Proceeds of Long Term Borrowings	9,827,152	234,236,551	(12,164,143)	79,375,332	14,249,229	217,783,220
24. Proceeds of Short Term Borrowings	(80,218,612)	82,900,869	27,520,781	13,042,898	71,382,593	28,320,000
25. Interest paid	(69,705,969)	(72,947,074)	(67,662,374)	(61,373,408)	(43,792,406)	(31,592,456)
25. Share Premium received/exchange rate loss	(13,281,819)	(12,614,015)	(19,691,585)	(10,695,965)	2,114,000	0
NET CASH USED IN FINANCING ACTIVITIES 'C'	(153,379,248)	231,576,331	(71,997,321)	20,348,857	43,953,416	214,510,764
NET (DECREASE) OR INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	39,338,178	(35,892,606)	2,265,880	(4,278,130)	36,518,818	6,722,850
Cash & Cash Equivalents at the beginning of the year	10,745,906	46,638,512	44,372,632	48,650,762	12,131,944	16,137,856
Cash & Cash Equivalents at the end of the year	5,472,552	10,745,906	46,638,512	44,372,632	48,650,762	12,131,944
NOTES:						
1. Cash and Cash equivalents comprise of the following:						
a. Cash on hand	681,182	704,841	543,052	512,381	523,056	406,416
b. Balances with Banks						
i. In Current accounts	3,730,870	8,980,565	31,034,960	31,794,751	33,050,606	11,648,428
ii. In Deposit accounts	1,060,500	1,060,500	15,060,500	12,065,500	15,077,100	77,100
TOTAL	5,472,552	10,745,906	46,638,512	44,372,632	48,650,762	12,131,944

GENERAL INFORMATION

POLSON LIMITED

Incorporation

Our Company was originally incorporated as Polson Limited on December 21, 1938, under the Indian Companies Act VII of 1913, with the Registrar of Companies, Bombay.

Company Registration No.: 002879.

CIN: L15203PN1938PLC002879

Registered Office

Ambaghat, Vishalgad, Taluka, Shahuwadi, District Kolhapur, Maharashtra – 415101
Tel: 0231 2656004 Fax: 0231 2653378

Corporate Office:

3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M. Karve Road, Churchgate, Mumbai – 400020
Tel: 022 22822321/2; Fax: 022 22822325

Registrar of Companies:

Registrar of Companies, Pune, PMT Building, Pune Stock Exchange, 3rd Floor, Deccan Gymkhana, Pune - 411004

Changes in the Registered Office since incorporation

At the time of incorporation the registered office of the Company was situated at 65-B, Dockyard Road, Mazagaon, Bombay – 400 010.

Thereafter, our registered office was shifted twice. The exact dates of shifting are not available on our records. However, as per our old Annual Reports, the registered office of the Company was shifted from its original location to Senapati Bapat Marg, OPIL Compound, Mahim, Bombay – 400 016.

Thereafter, as per our minutes books, the Registered Office of the Company was shifted to its present location at Ambaghat, Vishalgad, Taluka, Shahuwadi, District Kolhapur, Maharashtra – 415101, India with effect from March 01, 1994.

Board of Directors

Name, Fathers' name Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Date expiration of current term of office	Details of directorships in other companies
Mrs. Sushila Jagdish Kapadia (D/o: Late Sh. Dattraya Narhai Rege) Designation: Chairperson Status: Promoter Director Experience: 56 years Occupation: Social Worker	82 years	Graduate in Arts	02105539	Liable to retire rotation by	1. New Commercial Investment and Trading Co Limited 2. Oriental Pharmaceutical Industries Limited 3. AJI Commercial Private Limited 4. The New Commercial Mills Company Limited 5. AJI Investment

Name, Fathers' name Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Date of expiration of current term of office	Details of directorships in other companies
Address: 109 Mount Unique, 14 th Floor, Peddar Road, Mumbai - 400026, Maharashtra					Private Limited 6. AJK Investments Private Limited 7. Europa Chemicals Private Limited 8. Coriander Homes Limited Liability Partnership RUK Chemicals Private Limited 9. Dudhwala Builders Private Limited 10. Europa Chemicals Asia Private Ltd Limited
Mr. Amol Jagdish Kapadia (S/o: Mr. Jagdish Jagmohandas Kapadia) Designation: Managing Director Status: Promoter Director Experience: 27 years Occupation: Businessman Address: 109 Mount Unique, 14 th Floor, Peddar Road, Mumbai - 400026, Maharashtra	48 years	M.B.A. from IMD, Lausanne, Switzerland and Graduate in Commerce from Sydenham College of Commerce & Economics	01462032	March 31, 2017	1. New Commercial Investment and Trading Co Limited 2. AJI Commercial Private Limited 3. Oriental Pharmaceutical Industries Limited 4. The New Commercial Mills Company Limited 5. AJK Investments Private Limited 6. Europa Chemicals Private Limited 7. BK Giulini Specialities Private Limited 8. Coriander Homes LLP 9. RUK Chemicals Private Limited 10. AJI Investment Private Limited 11. Polson Butter Private Limited 12. Dudhwala Builders Private Limited 13. Europa Chemicals Asia

Name, Fathers' name Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Date of expiration of current term of office	Details of directorships in other companies
					Private Limited 14. Awas Meadows Coriander Farms Private Limited
Mr. Lambore Dhau Gangaram (S/o: Sh. Gangaram Sagu Lambore) Designation: Director Status: Executive and Non-Independent Director Experience: 38 years Occupation: Service Address: A/P Amba, Tal Shahuwadi, Kolhapur - 415101, Maharashtra	63 years	Undergraduate	02274626	Liable to retire by rotation	1. Polson Butter Private Limited 2. Oriental Pharmaceutical Industries Limited 3. The New Commercial Mills Company Limited 4. New Commercial Investment and Trading Co Limited
Mr. Pravin Dayanand Samant (S/o: Sh. Dayanand Moreshwar Samant) Designation: Director Status: Executive and Non-Independent Director Experience: 39 years Occupation: Service Address: A/4, Chandan Apts., Nooribaba Road, Makhmali Talao, Panchpakhadi, Thane-W, Thane - 400601, Maharashtra	60 Years	B. Sc (Hons.)	02307106	Liable to retire by rotation	Nil
Mr. Pradip Narayan Pai (S/o: Sh. Narayan Nileshwar Pai) Designation: Director Status: Non-Executive and Independent Director Experience: 28 years	53 Years	Bachelor of Commerce from Sydenham College of Commerce, Mumbai	00107704	Liable to retire by rotation	1. Dove Investments Private Limited 2. Century Agrotech Limited

Name, Fathers' name Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Date of expiration of current term of office	Details of directorships in other companies
Occupation: Business Address: 2/9, Clover Apt., 29 Cuffe Parade, Mumbai – 400005, Maharashtra					
Mr. Haren Madhav Sampat Designation: Director Status: Non-Executive and Independent Director Experience: 20 years Occupation: Business	57Years	Bachelor of Commerce from H R College of Commerce & Economics.	02556422	Liabie to retire by rotation	1. Scorpio Equine Private Limited
Mr. Sudhir Hariprasad Nevatia (S/o: Sh. Hariprasad Nandkishore Nevatia) Designation: Director Status: Non-Executive and Independent Director Experience: 13 years Occupation: Business Address: 78, Mount Unique, 10th Floor 62, Peddar Road, Mumbai – 400026, Maharashtra	52 Years	Bachelor of Commerce and Associate Member of Institute of Chartered Accountants of India	00001258	Liabie to retire by rotation	1. Morarka Finance Limited

Brief details of the Chairperson, Managing Director, Whole Time Directors, etc.

MRS. SUSHILA JAGDISH KAPADIA

Mrs. Sushila Jagdish Kapadia, aged 82 years is a graduate 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.

MR. AMOL JAGDISH KAPADIA:-

Mr. Amol Jagdish Kapadia, aged 48 years is the Managing Director of the Company. He has completed his Masters in Business Administration from IMD, Lausanne, Switzerland and is a Graduate in Commerce from Sydenham College of Commerce & Economics. He has been associated as a Director of the Company since 1987.

For more details on the Board of Directors, please refer to the section titled "Our Management" beginning from page no. 70 of this Letter of Offer.

Company Secretary & Compliance Officer

Mr. Amita Karia

Polson Limited

3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M Karve Road, Churchgate, Mumbai – 400020

Tel: 022 22822321/2;

Fax: 022 22822325

E-mail: compliance@polsonltd.com

Manager Legal and Company Secretarial Affairs Ms. Sampada Sawant

Polson Limited

3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M Karve Road, Churchgate, Mumbai – 400020

Tel: 022 22822321/2;

Fax: 022 22822325

E-mail: sampada@polsonltd.com

The Investors are requested to contact the Compliance Officer Manager Legal and Secretarial for any pre-issue/post-issue questions or information, including letter of allotment, refund orders, demat credits of allotted shares etc.

Legal Advisor to the Issue**Mr. Sadanand Chingale**

Address: Address: 46, Shaniwar Peth, Karad Dist, Satara Karad 415 110

Phone: 9422605662/02164220062

Email: advsnchingale@gmail.com

Contact Person: Mr. Sadanand Chingale

Bankers to the Company**CitiBank**

FIFC, 9th Floor

Plot No. C-54 & C-55, G-Block

Bandra Kurla Complex

Mumbai – 400 051

Phone : +91-22-26532108

Kotak Mahindra Bank Limited

Vinay Bhavya Complex, 5th Floor

159, A, CST Road, Kalina,

Santacruz (East), Mumbai - 400 098

Phone : +91-22-67594799

Bank of India

Churchgate Branch

Mumbai South Zone

Jamshedji Tata Road, Eros Building

Mumbai – 400 020

Phone : +91-22-22820649/22820662

Email : churchgate.mumbaisouth@bankofindia.co.in

Standard Chartered Bank

SME – Banking

23/25 M.G. Road, Fort

Mumbai – 400001

HDFC Bank Limited

Gemstone, Raosaheb Vichare Complex,

517, E Ward, New Shahupuri

Kolhapur – 416 001

Phone : +91-231-2651909

Issue Management Team

Lead Manager to the Issue

Sobhagya Capital Options Limited

SEBI Regn. No. - MB/INM000008571

B-206, Okhla Industrial Area

Phase-I, New Delhi - 110020

Tel: +91-11-40777000

Fax: +91-11-40777069

Email: delhi@sobhagyacap.com

Website: www.sobhagyacapital.com

Contact Person: Mr. Abhishek Jain and Ms. Prapti Abbey

Registrar to the Issue

Purva Sharegistry (India) Private Limited

Unit no. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg

Opposite Kasturba Hospital Lane, Lower Parel (E), Mumbai 400 011

Tel No.: +91 22 2301 6761 / 8261

Fax No.: +91 22 2301 2517

Contact Person: Mr. Rajesh Shah

Email id: purvashr@mtnl.net.in

Website: www.purvashare.com

Bankers to the Issue

Axis Bank Limited Address: Ground Floor, Eros Corporate Tower, Nehru Place, New Delhi - 110019.

Tel: 011-40520011; Fax: 0114020098

Email: sheetal.handa@axisbank.com

Contact person:- Mr. Sheetal Handa

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>. For details on designated branches of SCSBs collecting the ASBA Application Form, please refer the above mentioned SEBI link.

Issue Schedule

Issue Opening Date:	May 11, 2016
Last date for receipt of request for SAFs:	May 18, 2016
Issue Closing Date:	May 25, 2016
Finalization of basis of allotment with the Designated Stock Exchange	June 04, 2016
Initiation of Refunds	June 06, 2016
Credit of Equity Shares to demat accounts of Allotees	June 08, 2016
Commencement of trading of Equity Shares on the Stock Exchanges	June 10, 2016

The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not be kept open in excess of 30 days from the Issue Opening Date.

Auditors

M/s A. S. Madon & Co.

79/80, 2nd Floor, Esplanade Mansion

Kala Ghoda, Fort, Mumbai - 400001

Tel.: 022 - 22844754, 22382037

Fax: 022 - 22814347

E-mail: asmadon123@yahoo.co.in
Contact Person: Mr. Jay Shah

Inter-se Allocation of Responsibilities

Not applicable

Credit Rating

Not Applicable

IPO Grading

Not Applicable

Trustees

Not Applicable

Monitoring Agency

No agency has been appointed to monitor utilization of Funds. However, in case such an agency is appointed such agency shall file the monitoring report with the issuer company and not with SEBI, so as to enable the Company to place the report before its Audit committee.

Appraising Entity

The project is only for the raising funds for working capital requirement of the Company based upon Management estimates and is not appraised.

Standby Underwriting Agreement

This Issue has not been underwritten and our Company has not made any standby arrangements for the present Rights Issue.

If our Company does not receive the minimum subscription of 90% of the Issue, or the subscription level falls below 90%, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date (in case the Issue is non-underwritten) or shall refund the entire subscription amount received within 70 days from the Issue Closing Date, in the event the minimum subscription including devolvement obligation paid by the Underwriter has not been received within 60 days of the Issue Closing Date (in case the Issue is underwritten).

Under-subscription of the issue will be determined after considering the number of shares applied by the existing shareholders and their renounees as per the entitlement of the existing shareholders plus additional shares applied for by the existing shareholders and their renounees, in the manner as mentioned in the chapter titled "Terms of the Issue & Issue Procedure" of the Letter of Offer.

Principal terms of loan and assets charged as security

Kindly refer to section titled financial information beginning on page no. 99 of this Letter of Offer.

Dear Shareholder(s),

Pursuant to the resolution passed by the Board of Directors of the Company at its meeting held on May 24, 2014, it has been decided to make the following offer to the Eligible Equity Shareholders of the Company, with a right to renounce:

ISSUE OF 14,951 FULLY PAID UP EQUITY SHARES OF FACE VALUE RS. 50 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF RS. 5,600 PER EQUITY SHARE INCLUDING A PREMIUM OF RS. 5,550 PER EQUITY SHARE AGGREGATING TO RS. 837.25 LACS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ON RIGHTS BASIS IN THE RATIO OF 31 FULLY PAID UP EQUITY SHARE FOR EVERY 39 FULLY PAID UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON April 06, 2016 ("THE ISSUE"). THE ISSUE PRICE PER EQUITY SHARE IS 112 TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER "TERMS OF THE ISSUE & ISSUE PROCEDURE" ON PAGE 165.

Investors please note:

In the reasonable opinion of the Board, there are no circumstances that have arisen since the date of the last financial statement disclosed in this Letter of Offer, that materially or adversely affect or are likely to affect the performance or profitability of the Company or value of its assets or its ability to

pay its liabilities within the next twelve months.

Important

1. The Rights Equity Shares are being offered for subscription for cash to those existing Eligible Equity Shareholders, whose names appear, (i) as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the electronic form, and, (ii) on the register of members of our Company in respect of the Equity Shares held in physical form, at the close of business hours on the Record Date, i.e. April 06, 2016.

2. Shareholders' attention is drawn to Risk Factors appearing on page no viii of this Letter of Offer.

3. The Abridged Letter of Offer and the CAF will be dispatched to the Eligible Equity Shareholders who have an Indian address.

4. Please read the Letter of Offer and the instructions contained therein and in the CAF carefully, before filling in the CAF. The instructions contained in the CAF are an integral part of the Letter of Offer and must be carefully followed. The application is liable to be rejected if it is not in conformity with the terms of the Letter of Offer and/or the CAF.

5. All enquiries in connection with the Letter of Offer or accompanying CAF and requests for the SAFs must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the First Applicant as mentioned on the CAF and superscribed "**Polson Limited – Rights Issue - R**" in case of resident shareholders/applicants or shareholders/applicants applying on non repatriable basis or "**Polson Limited - Rights Issue -NR**" in case of non-resident shareholders/applicants applying on repatriable basis on the envelope and postmarked in India) to the Registrar to the Issue.

6. In case the original CAF is not received, or is misplaced by the Applicant, the Registrar to the Issue will issue a duplicate CAF on the request of the Applicant who should furnish the registered folio number/ DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that those who are making the application in the duplicate CAF should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the applicant violates any of these requirements, he / she shall face the risk of rejection of both the CAFs.

7. The Issue will be kept open for a minimum of 15 days and our Board or any committee thereof will have the right to extend the said date for such period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

8. The Lead Manager and the Company shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of the Draft Letter of Offer with SEBI or the Letter of Offer with the Stock Exchange.

9. The Lead Manager and the Company shall update the Draft Letter of Offer and keep the public informed of any material changes till the listing and trading commences.

CAPITAL STRUCTURE OF THE COMPANY

Share capital of our Company as at the date of filing of this Letter of Offer with SEBI is set forth below:

(Rs. in lacs, except share data)

Particulars as on the date of this Letter of Offer	Aggregate Value at Face Value	Aggregate Value at Issue Price
(A) Authorized Share Capital		
4,00,000 (Four Lacs) equity shares of Rs. 50 each	200.00	
50,000 (Fifty Thousand) 6% Cumulative Redeemable Preference Shares of Rs. 100 (Rupees Hundred) each.	50.00	
(B) Issued, Subscribed and Paid-Up Capital before the Issue		
1,20,000 (One Lacs Twenty Thousand) Equity Shares of Rs. 50 each fully paid up	60.00	
(C) Present Issue in terms of the Letter of Offer#		
14,951 (Fourteen Thousand Nine Hundred Fifty One only) Equity Shares of Rs. 50 each	7.48	837.25
(D) Paid up Capital after the Rights Issue		
1,34,951 (One Lac Thirty Four Thousand Nine Hundred Fifty One only) Equity Shares of Rs. 50 each fully paid up	67.48	7489.78
(F) Securities Premium Account		
Before the Issue		21.14*
After the Issue		829.78

The present Issue has been authorized by the Board of Directors in their meeting dated May 24, 2014.

* On June 09, 1998, an allotment of 20000 Equity Shares was made pursuant to conversion of 6% Cumulative Redeemable Preference Shares of Rs. 100 each into Equity Shares in the ratio of 1:1. The allotment was made at a price of Rs. 100 per Equity Share. However, later on it was brought to the notice of the Company by BSE that the applicable pricing norms for the allotment were not followed. Hence, on April 28, 2011 and May 03, 2011, owing to the administrative inconvenience of collecting the differential amount from the allottees, the Promoters of the Company brought in an additional amount of Rs. 21.40 Lakhs @ Rs. 107 per share.

The details of increase and change in authorized share capital of our Company after the date of incorporation till filling of the Letter of Offer with SEBI is as follows:

Date of change	Nature of increase/change	Type of Share	Number of Shares	Face Value	Cumulative authorized Share Capital
21-Dec-38	Incorporation	Shares	2000	500	1,000,000
*	Increase	Equity	50000	100	10,000,000
		Preference	50000	100	
30-Mar-94	Increase	Equity	150,000	100	25,000,000
1-Apr-01	Reorganization of Share Capital- Existing 2,00,000 Equity Shares	Equity	400,000	50	25,000,000

	of Rs. 100 each were sub-divided into 4,00,000 Equity Shares of Rs. 50 each due to capital reduction pursuant to High Court Order.	Preference	50,000	100	
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* The date of increase in authorized capital from Rs. 10,00,000 to Rs. 1,00,00,000 cannot be ascertained.

Notes to Capital Structure:

1. Share Capital History of our Company

Date of Allotment of the Equity Shares	Number of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment	Nature of Issue & reason for allotment	Cumulative No. of Equity Shares	Cumulative paid up equity share capital (Rs.)	Cumulative share premium (Rs.) [@]
Incorporation (December 21, 1938)	4	500	500	Cash	Subscribers to Memorandum	4	2,000	0.00
*	20	100	Not Applicable	Not Applicable	Reorganization of capital. One share of Rs. 500 each was divided into 5 shares of Rs. 100 each	20	2,000	0.00
*	5,000	100	100	Other than cash	Issued pursuant to a contract without payment being received in cash ^{\$}	5,020	5,02,000	0.00
01-October-1948 [^]	9,125	100	100	Cash	Initial Public Offer	14,145	14,14,500	0.00
19-October-1966 [^]	21,855	100	100	Capitalization of reserves	Bonus Issue	36,000	36,00,000	0.00
30-Mar-94	64000	100	100	Conversion of Unsecured Loan	Allotment pursuant to conversion of unsecured loan	100,000	10,000,000	0.00
9-Jun-98	20000	100	100	Conversion of Preference Shares into Equity Shares	Allotment pursuant to conversion of 6% Cumulative Redeemable Preference Shares of Rs. 100 each into Equity Shares in the ratio of 1:1	120,000	12,000,000	0.00

1-Apr-01	Reduction of Share Capital- Pursuant to the High Court Order dated April 18, 2001 (Effective Date- April 01, 2001), Existing Subscribed and paid up share capital of the Company was reduced from Rs. 1,20,00,000 divided into 1,20,000 Equity Shares of Rs. 100 each to Rs. 60,00,000 divided into 1,20,000 Equity Shares of Rs. 50 each.	120,000	6,000,000	0.00
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* The dates of respective issue are not known. The details have been extracted from the Audited Financial Statements of the Company.

^ No documents pertaining to the Initial Public Offer and Bonus Issue are not available; the same have been derived from the entries made in the Allotment Register.

\$ The details of the contract are not known, the same has been extracted from the Audited Financial Statements of the Company.

@ On June 09, 1998, an allotment of 20000 Equity Shares was made pursuant to conversion of 6% Cumulative Redeemable Preference Shares of Rs. 100 each into Equity Shares in the ratio of 1:1. The allotment was made at a price of Rs. 100 per Equity Share. However, later on it was brought to the notice of the Company by BSE that the applicable pricing norms for the allotment were not followed. Hence, on April 28, 2011 and May 03, 2011, owing to the administrative inconvenience of collecting the differential amount from the allottees, the Promoters of the Company brought in an additional amount of Rs. 21.40 Lakhs @ Rs. 107 per share.

Note-

Out of the total:-

1. 5,000 Equity Shares of Rs. 100 each (subsequently reduced to Rs. 50 each) were issued by the Company pursuant to a contract without payment being received in cash.
2. 21,855 Equity Shares of Rs. 100 each (subsequently reduced to Rs. 50 each) were issued by the Company as Bonus Shares by way of capitalization of reserves.
3. 20,000 Equity Shares of Rs. 100 each (subsequently reduced to Rs. 50 each) were issued by the Company in consideration of conversion of 6% Cumulative Redeemable Preference Shares of Rs. 100 each into Equity Shares in the ratio of 1:1.

The details of the Equity Shares allotted for consideration other than cash are provided in the following table:

Date of Allotment	Number of the Allottee	No of Equity Share allotted	Face Value* (Rs.)	Issue Price (Rs.)	Reason for allotment
#	#	5,000	100	#	issued by the Company pursuant to a contract
19-October-1966	Equity Shareholders of the Company	21,855	100	Nil	Bonus issue@ to the Shareholders of the Company.

* Reduction of Share Capital- Pursuant to the High Court Order dated April 18, 2001 (Effective Date- April 01, 2001), Existing Subscribed and paid up share capital of the Company was reduced from Rs. 1,20,00,000 divided into 1,20,000 Equity Shares of Rs. 100 each to Rs. 60,00,000 divided into 1,20,000 Equity Shares of Rs. 50 each.

The date of allotment, Number of Allottee, Issue Price of respective issue are not known. The details have been extracted from the Audited Financial Statements of the Company.

@ The ratio in which the said shares were issued and the resolution pursuant to which the bonus issue has been authorised are not known. The details have been extracted from the Audited Financial Statements of the Company.

Equity Shares issued out of conversion of unsecured loan and conversion of preference shares have been treated as equity shares issued for cash.

Except as above, no shares have been issued for consideration other than cash or out of revaluation reserves at any point of time and no bonus shares have been issued out of revaluation reserves.

2. Details of Equity shares allotted/acquired at a price lower than the present issue price in the one year preceding the date of filing of the Letter of Offer with SEBI

Not Applicable

3. There will be no further issue of Shares, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Letter of Offer with SEBI until the Securities have been listed.
4. At present we do not have any proposals or intentions, negotiations and considerations to alter the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement, within a period of six months from the date of opening of the present issue.

5. Details of Shareholding of the Promoters

Date of Allotment / Acquisition	Nature of Issue & reason for allotment/Transfer	No. of Equity Shares	Face Value (Rs.)	Issue/ acquisition Price (Rs.)	Consideration	Date when the shares were made fully paid up	Percent age of Pre Issue capital	Percent age of Post Issue capital	Lock in period , if any as per terms of issue	Number of Pledged shares	Percentage of Pledged shares to Total Pre issue Holding
Amol Jagdish Kapadia											
10-May-83	Acquired through Transfer	2156	100	#	#	Not Applicable	1.80%	1.60%	Nil	Nil	Nil
24-Aug-98	Acquired through Transfer	9844	100	#	#	Not Applicable	8.20%	7.29%	Nil	Nil	Nil
Sub-Total		12000					10.00%	8.89%			
Sushila Jagdish Kapadia[®]											
As on 20-Sep-13	Total	12835	-	#	#	Not Applicable	10.70%	9.51%	Nil	Nil	Nil
[•]^	In the process of acquisition through transmission	3167	-	Nil	Nil	Not Applicable	2.64%	2.35%	Nil	Nil	Nil
Sub-Total		16002					13.34%	11.86%			
Aji Commercial Private Limited											
20-Oct-93	Acquired through Transfer	100	100	#	#	Not Applicable	0.08%	0.07%	Nil	Nil	Nil
08-Aug-94	Acquired through Transfer	100	100	#	#	Not Applicable	0.08%	0.07%	Nil	Nil	Nil
22-Nov-94	Acquired through Transfer	40	100	#	#	Not Applicable	0.03%	0.03%	Nil	Nil	Nil
23-Sep-96	Acquired through Transfer	4	100	#	#	Not Applicable	0.00%	0.00%	Nil	Nil	Nil

13-Sep-97	Acquired through Inter-se Transfer	64000	100	#	#	Not Applicable	53.33%	47.42%	Nil	Nil	Nil
24-Aug-98	Acquired through Transfer	95	100	#	#	Not Applicable	0.08%	0.07%	Nil	Nil	Nil
Sub-Total		64339					53.62%	47.68%			
Oriental Pharmaceutical Industries Limited											
24-Aug-98	Acquired through Transfer	55	100	#	#	Not Applicable	0.05%	0.04%	Nil	Nil	Nil
22-Nov-00	Acquired through Transfer	270	100	#	#	Not Applicable	0.23%	0.20%	Nil	Nil	Nil
01-Dec-00	Acquired through Transfer	9	100	#	#	Not Applicable	0.01%	0.01%	Nil	Nil	Nil
28-Dec-00	Acquired through Transfer	430	100	#	#	Not Applicable	0.36%	0.32%	Nil	Nil	Nil
During the quarter Jan to March 2013	Acquired through Inter-se Transfer	3000	100	#	#	Not Applicable	2.50%	2.22%	Nil	Nil	Nil
April 01, 2011	Acquired pursuant to Order dated July 19, 2013 of the Hon'ble High Court of Bombay, approving the Scheme of Amalgamation of Lotus Mills Limited with Oriental Pharmaceutical Industries Limited	5085	50	#	#	Not Applicable	4.24%	3.77%	Nil	Nil	Nil
Sub-Total		8849					7.37%	6.56%			
The New Commercial Mills Company Limited											
31-Dec-97	Acquired through Transfer	1	100	#	#	Not Applicable	0.00%	0.00%	Nil	Nil	Nil
Sub-Total		1					0.00%	0.00%			
Grand Total		101191					84.33%	74.98%			

^ Under process of transmission to Mr. Jagdish Jagmohandas Kapadia.

The details with respect to acquisition price and consideration are not available

@ The detailed break up with respect to acquisition of shares by Mrs. Sushila Jagdish Kapadia cannot be ascertained as reconciliation of her shareholding is not possible on account of non-availability of records.

Note: Shares held in different folios have been clubbed together.

6. Details of the aggregate shareholding of the Promoters as on the date of the Letter of Offer

Name	Shareholding in Polson Limited (In Nos.)
Amol Jagdish Kapadia	12,000
Sushila Jagdish Kapadia	16,002^
Aji Commercial Private Limited	64,339
Oriental Pharmaceutical Industries Limited	8,849
The New Commercial Mills Company Limited	1
Total	101,191

Note: Shares held in different folios have been clubbed together.

^ Inclusive of 3,167 Equity Shares belonging to Late Shri Jagdish Jagmohandas Kapadia which are under transmission to Mrs. Sushila Jagdish Kapadia.

7. Details of the aggregate number of Equity Shares purchased or sold by the Promoter Group and/or by the Directors of the Company which is a Promoter of The Issuer and/or by the Directors of The Issuer and their immediate relatives within six months immediately preceding the date of filing Letter of Offer with the Board.

Nil. However, 3167 Equity Shares held by Late Shri Jagdish Jagmohandas Kapadia are under transmission to Smt. Sushila Jagdish Kapadia.

8. Details of the maximum and minimum price at which purchases and sales referred to above were made, along with the relevant dates.

Not Applicable

9. Details of all financing arrangements whereby the Promoter Group, the Directors of the Company which is a Promoter of The Issuer, the Directors of The Issuer and their relatives have financed the purchase by any other person of securities of The Issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing the Letter of Offer with SEBI.

Nil

10. **Details of Lock-in of shares of Promoter and Promoter group**

Nil

11. **Buy-back and Standby arrangements**

The Promoters and Directors of the Company and Lead Manager of the Issue have not entered into any buy-back, standby or similar arrangements for any of the securities being issued through this Letter of Offer.

As such, other than meeting the requirements indicated in the section on Objects of the Issue on page 27 of this Letter of Offer, there is no other intention/purpose for this Issue, including any intention to delist the Company.

12. All the securities offered through the issue shall be fully paid-up.

13. **A list of top ten shareholders of the Company and the number of Equity Shares held by them is as under**

a.) As on the date of this Letter of Offer

Name of Shareholders	Number of shares held	% of Total paid up capital of the Company (pre issue)
AJI Commercial Private Limited	64339	53.62%
Sushila Jagdish Kapadia	16002^	13.34%

Amol Jagdish Kapadia	12000	10.00%
Oriental Pharmaceutical Industries Limited	8849	7.37%
Pramilla Estates Private Limited	629	0.52%
Prakashchandra S Seksaria	200	0.17%
Meherbai Nadairshaw Mulla	200	0.17%
Surendra Bhagwandas	170	0.14%
Manubhai Maneklal	165	0.13%

^ Inclusive of 3,167 Equity Shares belonging to Late Shri Jagdish Jagmohandas Kapadia which are under transmission to Mrs. Sushila Jagdish Kapadia.

b) Two years prior to the date of this Letter of Offer

Name of Shareholders	Number of shares held	% of Total paid up capital of the Company (pre issue)
AJI Commercial Private Limited	64339	53.62%
Sushila Jagdish Kapadia	12384	10.32%
Amol Jagdish Kapadia	12000	10.00%
M/s. Lotus Mills Limited	5085	4.24%
Oriental Pharmaceutical Industries	3764	3.00%
Jagdish Jagmohandas Kapadia	3167	2.64%
Pramilla Estates Private Ltd	629	1.00%
Rukmanidevi B Murarka	445	0.37%
Mahendra Girdharilal	264	0.22%
Meherbai Nadairshaw Mulla	200	0.16%
Prakashchandra S Seksaria	200	0.16%

Joint holding with Mrs. Sushila Jagdish Kapadia

c) Ten days prior to the date of this Letter of Offer

Name of Shareholders	Number of shares held	% of Total paid up capital of the Company (pre issue)
AJI Commercial Private Limited	64339	53.62%
Sushila Jagdish Kapadia	16002^	13.34%
Amol Jagdish Kapadia	12000	10.00%
Oriental Pharmaceutical Industries Limited	8849	7.37%
Pramilla Estates Private Limited	629	0.52%
Sushiladevi R Nagori	219	0.18%
Prakashchandra S Seksaria	200	0.17%
Meherbai Nadairshaw Mulla	200	0.17%
Surendra Bhagwandas	170	0.14%
Manubhai ManekLal	165	0.13%

^ Inclusive of 3,167 Equity Shares belonging to Late Shri Jagdish Jagmohandas Kapadia which are under transmission to Mrs. Sushila Jagdish Kapadia.

Note: In all the above three tables, Shares held in different folios have been clubbed together.

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) ¹	As a percentage of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
(A)	Shareholding of Promoter and Promoter Group²							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	4	28002	28002	23.32	23.33	0	0
(b)	Central Government/ State Government(s)				0.00	0.00		0
(c)	Bodies Corporate	3	73189	73189	60.99	60.99	0	0.00
(d)	Financial Institutions/ Banks				0.00	0.00		0
(e)	Any Others(Specify)				0.00	0.00		0
(e-i)					0.00	0.00		0
(e-ii)					0.00	0.00		0
	Sub Total(A)(1)	7	101191	101191	84.32	84.32	0	0.00
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)				0.00	0.00		0
b	Bodies Corporate				0.00	0.00		0
c	Institutions				0.00	0.00		0
d	Any Others(Specify)	0	0	0	0	0		0.00
d-i					0.00	0.00		0
d-ii					0.00	0.00		0
	Sub Total(A)(2)	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7	101191	101191	84.32	84.32	0	0.00
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI	0	0	0	0.00	0.00	0	
(b)	Financial Institutions/ Banks	9	260	35	0.22	0.22	0	
(c)	Central Government/ State Government(s)				0.00	0.00		
(d)	Venture Capital Funds				0.00	0.00		
(e)	Insurance Companies				0.00	0.00		
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	
(g)	Foreign Venture Capital Investors							
(h)	Any Other (specify)	2	75	75	0.06	0.06		
(h-i)					0.00	0.00		
(h-ii)					0.00	0.00		
	Sub-Total (B)(1)	11	335	110	0.27	0.27		
B 2	Non-institutions							
(a)	Bodies Corporate	33	941	941	0.78	0.78	0	
(b)	Individuals				0.00	0.00		
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2lakh	1907	17013	3394	14.17	14.17	100	
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	0	0	0	0.00	0.00	10000	
(c)	N.R.I.(REPT & NON-REPT)	13	153	11	0.12	0.12	0	
(c-i)	Clearing House/Public Trust	2	58	0	0.05	0.05	0	
(c-ii)	Corporate Bodies - OCB	0	0	0	0.00	0.00	0	
(c-iii)	Intermediary/Other				0.00	0.00		

	Depository A/c							
(c-iv)	Hindu Undivided Family	32	306	306	0.255	0.255	0	
(c-v)	Clearing Members	1	3	3	0.002	0.002	0	
(c-vi)	Qualified Foreign Investor - Individual							
(c-vii)	Qualified Foreign Investor- Corporate							
	Sub-Total (B)(2)	1988	18474	4572	15.39	15.39		
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	1999	18809	4682	15.67	15.67		
	TOTAL (A)+(B)	2006	120000	105873	100.00	100.00		
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
1	Promoter and Promoter Group					0.00		#0
2	Public					0.00		
	Sub-Total (C)	0	0	0		0	0	
	GRAND TOTAL (A)+(B)+(C)	2006	120000	105873		100.00	0	0.00

14. **Shareholding Pattern of our Company as on on December 31, 2015**

Note- Number of Shareholders has been taken as the number of folios

15. **Details of Shareholders holding more than one percent of the share capital of Polson Limited.**

Name of the Shareholder	Number of Shares	Percentage of Equity Share capital
AJI Commercial Private Limited	64,339	53.62
Sushila Jagdish Kapadia	16,002 [^]	13.34
Amol Jagdish Kapadia	12,000	10.00
Oriental Pharmaceutical Industries Limited	8,849	7.37
Total	101,190	84.33

[^] Inclusive of 3,167 Equity Shares belonging to Late Shri Jagdish Jagmohandas Kapadia which are under transmission to Mrs. Sushila Jagdish Kapadia.

16. **Pre and Post-Issue Shareholding of Promoter and Promoter Group of our Company:**

Name of the Promoter	Pre Issue		Post Issue	
	No. of Equity Shares	Percentage of Equity Share capital	No. of Equity Shares	Percentage of Equity Share capital
Amol Jagdish Kapadia	12,000	10.00%	101,191	74.98%
Sushila Jagdish Kapadia	16,002 [^]	13.34%		
AJI Commercial Private Limited	64,339	53.62%		
Oriental Pharmaceutical Industries Limited	8,849	7.37%		
The New Commercial Mills Company Limited	1	0.00%		
Total Holding of Promoters	101,191	84.33%	101,191	74.98%

[^] Inclusive of 3,167 Equity Shares belonging to Late Shri Jagdish Jagmohandas Kapadia which are under transmission to Mrs. Sushila Jagdish Kapadia.

17. Participation in the Issue by the Promoters and Promoter Group:

Our Promoters and members of the Promoter Group shall not participate in this Issue. The primary purpose of this Issue is to comply with the minimum public shareholding requirements applicable to our Company, as stipulated by the Securities and Exchange Board of India, (the "SEBI"), by way of a rights offering to the public shareholders of our Company with the Promoters and Promoter Group shareholders foregoing their rights entitlement, as permitted by the SEBI pursuant to the SEBI circular No. CIR/CFD/DIL/11/2012 dated August 29, 2012.

18. The details of shareholding, if any, of the Lead Manager and their associates in the Company.

Nil

19. There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of the Company.

20. The Company has not instituted any employee stock option scheme as on the date of this Letter of Offer.

21. The Company has not availed of "bridge loans" to be repaid from the proceeds of the Issue for incurring expenditure on the Objects of the Issue.

22. As on the date of filing this Letter of Offer with SEBI, except as mentioned herein under, there are no outstanding financial instruments or any other right, which would entitle the Promoters or shareholders or any other person any option to receive equity shares after the Issue.

23. The Company does not have any shares to be allotted, which are outstanding under ESOPs, as it has no ESOPs or ESPS Schemes in place in the Company.

24. We have not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.

25. An applicant cannot make an application for more than the number of Securities offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each applicant.

26. Our Company has 2014 shareholders as on the date of filing the Letter of Offer with SEBI.

27. The Company, the Directors, the Promoter or the Promoter Group shall not make any, direct or indirect, payments, discounts, commissions or allowances under this Issue, except as disclosed in this Letter of Offer.

28. The Equity Shares held by the Promoter are not subject to any pledge.

29. None of the Directors or key managerial personnel holds Equity Shares in the Company except as

stated in the section titled "Our Management" on page 70 of this Letter of Offer.

30. The present Issue being a Rights Issue, as per Regulation 34 (c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the requirement of Promoters contribution and lock-in are not applicable.
31. As on the date of this Letter of Offer, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares.
32. There will be no partly paid up shares arising out of this issue.
33. As on date there are no partly paid up shares.
34. The terms of issue to Non-Resident Eligible Equity Shareholders/Applicants have been presented under the section "Terms of the Issue & Issue Procedure" on page 165 of this Letter of Offer.
35. The Company had made a bonus issue of shares in the year 1966. All the relevant and applicable rules and regulations had been complied with at the time of making the said issue.
36. At any given time, there shall be only one denomination of the Equity Shares of the Company and the Company shall comply with such disclosure and accounting norms specified by SEBI from time to time. Except as mentioned under point no. 22 above, the Equity Shareholders of the Company do not hold any warrant, option or convertible loan or debenture, which would entitle them to acquire further shares in the Company.
37. The Issue will remain open for 15 days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.
38. The post issue shareholding pattern as stated in this chapter must be read subject to the aforementioned point.

OBJECTS OF THE ISSUE

OBJECTS OF THE ISSUE

The objects of the present issue of Equity Shares on rights basis are:

- To comply with the requirement of minimum 25% public shareholding;
- To raise money for additional long term working capital; and
- To raise money for General corporate purposes.

The Objects Clause of the Memorandum and Articles of Association of the Company enable it to undertake the activities for which the funds are to be raised in the present Rights Issue. Further, it is confirmed that the activities, which the company has been carrying out until now is in accordance with the object clause of Memorandum and Articles of Association of the Company.

We intend to utilize the proceeds of the Issue after deducting expenses relating to the Issue ("Net Proceeds of the Issue" or "Net Proceeds"), which is estimated at Rs. 812.50 Lacs for the abovementioned objects.

The details of the estimated Proceeds of the Issue are as follows:

Particulars	Estimated Amount (In Rs. Lacs)
Gross proceeds to be raised through this Issue ("Issue Proceeds")*	837.25
Issue related expenses*	25.00
Net proceeds of the Issue after deducting the Issue related expenses from the Issue Proceeds ("Net Proceeds")*	812.50

FUND REQUIREMENT - UTILISATION OF NET PROCEEDS OF THE ISSUE

The utilization of the Net Proceeds of the Issue is as follows:

S. No.	Particulars	Estimated Amount (In Rs. Lacs)
1.	Additional Long Term Working Capital	640.00
2.	General Corporate Purposes*	172.50

Our fund requirements and deployment of the Net Proceeds of the Issue is based on internal management appraisals and estimates. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, or in other financial condition, business or strategy.

We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances or costs in our financial condition, business or strategy. Consequently, our fund requirements may also change. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals, cash flow from our operations and/or debt, as required. In case of a shortfall in the Net Proceeds, we may explore a range of options including utilizing our internal accruals, and / or seeking additional debt from existing and future lenders. In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met, the same shall be utilized in the next Fiscal.

1. DETAILED FUND REQUIREMENT FOR ADDITIONAL LONG TERM WORKING CAPITAL

We avail a part of working capital in the ordinary course of our business from our banks, as fund based working capital limits and balance is funded from internal resources of the Company. As on date of filing prospectus, our Company's working capital facility consisted fund based limits of Rs. 3000 Lacs#.

The working capital requirements set forth below are our estimates based on past experience and projections for the future in line with our operations.

Our Company's current and estimated working capital requirements and funding on a standalone basis is as follows:

(Rs. in Lacs except number of days)

Sr. No	Particulars	Holding Period (in terms of number of days)	FY 2015-16 (Estimated)	Holding Period (in terms of number of days)	FY 2016-17 (Estimated)
A.	Current Assets				
	Inventories				
	Raw Materials	30	640.00	35	780.00
	Work in Progress	4	90.00	4	100
	Finished Goods	40	1,050.00	43	1,350.00
	General Stores, Spare Parts etc.	26	320.00	24	330
	Others	7	70.00	7	80
	Total Inventories		2,170.00		2,640.00
	Sundry Debtors	58	1700.00	59	1800.00
	Total Receivables		1700.00		1800.00
	Loans and Advances (Excluding Long Term Loans and advances)		2400.00		2600.00
	Total Current Assets (A)		6270.00		7040.00
B.	Current Liabilities and Provisions				
	Trade Payables	82	1450.00		1580.00
	Other current liabilities and provisions		650.00		750.00
	Total current liabilities and Provisions (B)		2100.00		2330.00
	Total working capital requirement		4170.00		4170.00
	less: current fund based bank limit		3000.00		2900.00
	Working capital requirement		1170.00		1810.00
	Additional working capital requirement				640.00
	Funding pattern for additional Working Capital Requirement				
	Estimated Bank Finance available				
	Proposed to be funded from Rights issue towards margin for working capital				640.00
	Internal resources				
	Total				640.00

\$ Additional working capital requirement of Rs. 640 Lacs is proposed to be funds from the issue proceeds of the Company. In case of shortfall, the company may explore, range of options including utilizing our internal accruals and / or seeking additional debt from existing and future lenders to

fund our additional working capital requirement.
#Current fund based Bank Limit is Rs. 3000 Lacs.

Note:

- Existing working capital requirement of 4710.00 Lacs is funded by Fund based Bank Limit of Rs. 3000.00 Lacs and balance from internal resources of the Company.
- Additional working capital requirement of 640.00 Lacs is proposed to be funds from the Issue proceeds of the Company. In case of shortfall, we may explore a range of options including utilizing our internal accruals, and / or seeking additional debt from existing and future lenders to fund our additional working capital requirements.
- Working Capital Requirement for FY 2015-16 is based on past experience and projections for the future in line with our operations.

Clarifications:

It is hereby clarified that no part of the issue proceeds is intended to be used for repayment (in part or full) of the credit facilities that have been taken by the Company from various banks for meeting its working capital requirements.

It is hereby clarified that no part of the proceeds of the proposed Rights Issue are proposed to be utilised for the purpose of any contract executed/ presently under execution/ to be executed by us for any of its group companies.

2. GENERAL CORPORATE PURPOSES

We, in accordance with the policies of our Board, will have flexibility in applying the remaining Net Proceeds of this Issue, for general corporate purposes inter-alia including meeting our capital expenditure requirements, investment in subsidiaries and joint venture undertakings, strategic initiatives, brand building exercises and strengthening of our marketing capabilities, and such other purposes as may be permitted under applicable statutory/regulatory requirements, and as approved by our Board of Directors.

The quantum of utilization of funds towards each of the above purposes will be determined by the Board of Directors based on the amount actually available under the head "General Corporate Purposes" and the business requirements of the Company, from time to time. Our Company will duly comply with Regulation 4 (4) of SEBI ICDR Regulations, 2009 regarding allocation of issue proceeds for General Corporate purposes.

BREAK-UP OF ISSUE EXPENSES

The expenses for this Issue include management fees, selling commissions, printing and distribution expenses, legal fees, fees to various advisors, statutory advertisement expenses and listing fees payable to the Stock Exchanges, among others. The estimated Issue expenses are as under:

Activity	Amount (in Rs. Lacs)
Lead Management Fees	9.50
Registrar to the Issue and Advisors to the Issue	2.00
Advertisement and Marketing expenses*	3.00
Printing and Stationery and Distribution*	3.00
Others (Processing fees, listing fee, Corporate Action charges etc) *	7.50
Total	25.00

** To be finalized upon determination of issue price*

Details of all material existing or anticipated transactions in relation to utilisation of the issue proceeds or project cost with promoters, directors, key management personnel, associates and group companies.

No part of the issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled 'Interest of Promoters' & 'Interest of Directors' as mentioned on page nos. 88 and 74 of this Letter of Offer.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed through internal accruals and debt.

FUNDING PLANS (MEANS OF FINANCE)

Particulars	Amount (In Rs. Lacs)
Net Proceeds of the issue	812.50
Total	812.50

The stated objects of the Issue are proposed to be entirely financed by the Net Proceeds of the Issue and our Company's internal accruals, thus, we are not required to make any firm arrangements of finance through verifiable means towards 75% of the stated means of finance excluding the amount to be raised through the proposed Issue, as required under Regulation 4(2)(g) of the SEBI (ICDR) Regulations.

Balance portion of the means of finance for which no firm arrangement has been made.

Nil.

The Means of Finance consists only of proceeds from the Proposed Issue.

The details of funds tied up and the avenues for deployment of excess proceeds, if any.

No funds have been tied up and no excess proceeds are expected to be received. Oversubscriptions, if any, shall be duly refunded.

APPRAISAL

No appraisal of the working capital requirement has been done. It is based upon Management estimates.

SCHEDULE OF IMPLEMENTATION

There is no fixed schedule of Implementation of the project as the funds are intended to be used primarily for meeting the working capital requirements of the Company in the routine course of its business.

DEPLOYMENT OF FUNDS:

The Company has received the Sources and Deployment Funds Certificate dated March 15, 2016 from A. S. Madon & Co., Chartered Accountants. The certificate states that the Company has deployed amounts aggregating Rs. 11.20 Lacs till March 15, 2016. Details of the sources and deployment of funds as on March 15, 2016 as per the certificate are as follows:

Particulars	Amount (Rs. Lacs)
Issue Expenses	11.20
Total	11.20

SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

Particulars	Amount (Rs. Lacs)
Internal Resources	11.20
Total	11.20

DEPLOYMENT OF BALANCE FUNDS

(in Rs. Lacs)		
Deployment of Funds	To be incurred upto March 31, 2017	Total
Additional Long Term Working Capital	640.00	640.00
General Corporate Purposes	172.50	172.50

Note: In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met, the same shall be utilized in the next Fiscal.

INTERIM USE OF FUNDS

The management, in accordance with the policies set up by the Board, will have flexibility in deploying the net proceeds received by the company from the Issue. Pending utilization for the purposes described above, we intend to invest the funds in high quality interest/dividend bearing liquid instruments including money market mutual funds and deposit with banks for necessary duration.

BRIDGE LOAN

We have not raised any bridge loans which are required to be repaid from the Net Proceeds.

MONITORING UTILIZATION OF FUNDS FROM ISSUE

Our Board will monitor the utilization of the proceeds of the Issue. The Company will disclose the utilization of the proceeds of the Issue, including interim use, under a separate head along with details, for all such proceeds of the Issue that have not been utilized. The Company will indicate investments, if any, of unutilized proceeds of the Issue in the balance sheet of the Company for the relevant Financial Years subsequent to the listing.

We will, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds in accordance with the provisions of the Listing Agreement. We also will on an annual basis, prepare a statement of funds which have been utilized for purposes other than those stated in this Letter of Offer, if any, and place it before the Audit Committee. Such disclosure will be made only until such time that all the Issue Proceeds have been utilized in full. The statement shall be certified by our Auditors. Further, in accordance with clause 43A of the Listing Agreement we will furnish to the Stock Exchanges on a quarterly basis, a statement including material deviations if any, in the utilization of the Issue Proceeds from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

The Company shall inform material deviations in the utilization of Issue proceeds to the Stock Exchanges and shall also simultaneously make the material deviations/adverse comments, of the Audit committee, if any, public through advertisement in newspapers.

Except in the usual course of business, no part of the proceeds from the Issue will be paid by the Company as consideration to its Promoters, Directors, Group Companies or key managerial employees.

BASIC TERMS OF THE ISSUE

Number of Equity Shares of Rs. 50 each proposed to be issued by the Company	14,951
Rights Entitlement	31 fully paid up Equity Share for every 39 fully paid up Equity Shares held by the existing shareholders of the Company on the Record Date.
Record Date	April 06, 2016
Issue Price per Equity Shares	5600
Face value per Equity Shares	50
Equity Shares Outstanding prior to the issue	120,000
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	134,951
Terms of the Issue	For more information, please see the chapter "Terms of the Issue & Issue Procedure" on page 165.
Use of Issue Proceeds	For further information, please see the chapter "Objects of the Issue" on page 27.

Terms of Payment

Due Date	Amount
On the Issue application (i.e. alongwith the CAF)	The full amount of Rs. 5600 is payable on application

BASIS FOR ISSUE PRICE

The face value of the Equity Shares is Rs. 50 and the Issue Price of Rs. 5600 is 112 times of the face value.

Investors should read the following summary along with the sections titled "Risk Factors" and "Financial Information" beginning on page nos. Viii and 99 respectively of this Letter of Offer, and other details about the Company included in the section titled "History and certain Corporate Matters" beginning on page no. 61 of this Letter of Offer.

The trading price of the Equity Shares could decline due to these risks and you may lose all or part of your investments.

QUALITATIVE FACTORS

1. Polson Limited is a 75-year-old Company engaged in manufacture and export of natural based vegetable tannin extracts and Eco-friendly leather chemicals.
2. Experienced and professional management team.

QUANTITATIVE FACTORS

Information presented in this section is derived from the Company's restated standalone and consolidated financial statements prepared in accordance with Indian GAAP and SEBI Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

- 1. Earnings per Share and Diluted Earnings per Share, Pre Issue for the last 3 years (as adjusted for changes in capital).**

As per the restated standalone summary statements (as adjusted for changes in capital)

Year	Basic EPS (In Rs.)	Diluted EPS (In Rs.)	Weight
2014-15	545.65	545.65	3
2013-14	378.50	378.50	2
2012-13	476.63	476.63	1
Weighted Average	466.93	466.93	

Notes:

- ➔ The weighted average of adjusted EPS and Diluted EPS for these fiscal years have been computed by giving weights of 1, 2 and 3 for the fiscal years ending March 31, 2013, 2014 and 2015 respectively.
- ➔ The figures disclosed above are based on the restated standalone and consolidated summary statements of the Company.
- ➔ Earnings per share calculations are done in accordance with Accounting Standard 20 'Earning per Share' issued by the Institute of Chartered Accountants of India.
- ➔ Face Value of each Equity Share is Rs. 50.
- ➔ The above statement should be read with Significant Accounting Policies and the Notes to the Restated Standalone Statements as appearing in Restated Financial Information of our Company beginning on page 99 of this Letter of Offer.

- 2. Pre-Issue Price Earning (P/E) Ratio in relation to the Issue Price of Rs. 5600 per Equity Share of Rs. 50 each.**

Particulars	P/E
a. Based on Basic and Diluted Earnings per Share of Rs. 545.65 for the for the	10.26

financial year ended March 31, 2015 as per Restated Standalone Financial Statements:	
--	--

c) Industry P/E*

- a. Highest: 74.3 (SH Kelkar & Co)
- b. Lowest: 1.6 (Chembond Chem.)
- c. Average: **37.95**

*Source: Capital Market Volume XXIX/15 dated March 14, 2016 – March 27, 2016; Industry: Chemicals

3. Average Return on Net worth (RoNW)*

As per our Restated Standalone Financial Statements:

Year	RONW	Weight
2014-15	14.49%	3
2013-14	11.75%	2
2012-13	16.77%	1
Weighted Average	14.33%	

*Net worth has been computed by aggregating share capital, reserves and surplus and adjusting for revaluation reserves, as per the Company's restated audited financial statements.

Note: The average return on net worth has been computed on the basis of the adjusted profits and losses of the respective years drawn after considering the impact of accounting policy changes and material adjustments/ regroupings pertaining to earlier years.

4. Minimum Return on Increased Net Worth to maintain pre-issue EPS for the financial year ended March 31, 2015

Minimum Return on Increased Net Worth to maintain pre-issue EPS of Rs. 545.65 (based on Restated Standalone Financial Statements for the year ended March 31, 2015) is 7.27 %.

5. Net Asset Value per Equity Share based on last Balance Sheet

Net Asset Value per Equity Share represents Net worth as reflected in the balance Sheet as divided by the number of equity shares.

As per our Restated Standalone Financial Statements:

Particulars	Amount (In Rs.)
Net Asset Value (pre-issue) as on March 31, 2015	3,766.97
Net Asset Value post issue	3970.05
Issue Price per Equity Share	5600

Comparison of Net Asset Value (post issue) with issue Price

Post Issue- Pre Conversion	In Rs.
Net Asset Value (post issue) (Based on Restated Standalone Financial Statements)	3970.05
Issue Price per Equity Share	5600

6. Comparison of Accounting ratios with Industry peers

S. No.	Name of the company	Face Value (Rs. Per Share)	EPS (Rs.)	P/E Ratio	RoNW (%)	Book value per share (Rs.)
1	Polson Limited*	50	545.65	9.74	14.49%	3,766.97
Peer group***						
2	Adi Finechem Ltd.	10	9.90	32.20	26.30%	41.20
3	Cochin Minerals & Rutile Ltd	10	-	-	-	110.20-
4	India Gelatine & Chemicals Ltd	10	0.8	-	-	126.10

*Source: Restated standalone audited financial statements of the Company for the financial year ended on March 31, 2015.

** Based on the issue price to be determined at the time of filing of Letter of Offer and the Restated standalone EPS of the Company for Financial year ended March 31, 2015.

*** Source: Capital Market Volume dated March 14, 2016 – March 27, 2016; Industry: Chemicals

The Issue Price of Rs. 5600 has been determined by the Company in consultation with the Lead Manager, on the basis of assessment of market demand for the securities of the Company and the same is justified on the basis of the above factors. The Lead Manager believes that the Issue Price of Rs. 5600 is justified in view of the above qualitative and quantitative parameters.

The investors may want to peruse the risk factors and the financials of the Company including important profitability and return ratios, as set out in the Auditors' Report on page no. 99 of this Letter of Offer to have a more informed view of the investment proposition.

STATEMENT OF TAX BENEFITS

The Board of Directors,
POLSON LIMITED
Ambaghat, Vishalgad, Taluka
Shahuwadi, District Kolhapur
Maharashtra – 415101

Dear Sirs,

Sub: Statement of Possible Tax Benefits available to Polson Limited ('the Company') and its Shareholders

We hereby report that the enclosed statement provides the possible tax benefits available to Polson Limited ('the Company') under the Income-tax Act, 1961, presently in force in India and to the shareholders of the Company under the Income Tax Act, 1961 and Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for Professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own Tax Consultant with respect to the specific tax implications arising out of their participation in the issue.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

For A.S. Madon & Co.
Chartered Accountants
F.R. No.: 105725W

Sd/-
CA JAY SHAH
Partner
M. No. 48417
Place: Mumbai
Date: 12th March 2016

ANNEXURES TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO POLSON LIMITED AND TO ITS SHAREHOLDERS

A) SPECIAL TAX BENEFIT FOR POLSON LIMITED AND ITS SHAREHOLDERS

NIL

B) OTHER GENERAL TAX BENEFITS TO THE COMPANY AND ITS SHAREHOLDERS

The following tax benefits shall be available to the company and its Shareholders under Direct tax law

Under the Income-Tax Act, 1961 ("the Act"):

I. Benefits available to the Company

1. Depreciation

As per the provisions of Section 32 of the Act, the company is eligible to claim depreciation on tangible and specified intangible assets as explained in the said section and the relevant Income Tax rules there under.

In accordance with and subject to the conditions specified in Section 32(1) (iia) of the Act, the company is entitled to an additional depreciation allowance of 20% of the cost of new machines acquired and put to use during a year.

2. Dividend Income

Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961.

3. Income from Mutual Funds / Units

As per section 10(35) of the Act, the following income shall be exempt in the hands of the Company:

Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or

Income received in respect of units from the Administrator of the specified undertaking; or

Income received in respect of units from the specified company.

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be.

For this purpose (i) "Administrator" means the Administrator as referred to in section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) "Specified Company" means a company as referred to in section 2(h) of the said Act.

4. Income from Long Term Capital Gain

As per section 10(38) of the Act, long term capital gains arising to the Company from the transfer of a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the Company.

For this purpose, "Equity Oriented Fund" means a fund –

(i) Where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and

(ii) Which has been set up under a scheme of a Mutual Fund specified under section 10(23D) of the Act.

5. As per section 115JB, the Company will not be able to reduce the income to which the provisions of section 10(38) of the Act apply while calculating "book profits" under the

provisions of section 115JB of the Act and will be required to pay Minimum Alternative Tax as follows-

Book Profit	A.Y.-2014-15	A.Y.-2015-16
If book profit is less than or equal to Rs. 1 crore	19.055%	19.055%
If book profit is more than Rs.1 crore	20.00775%	20.00775%
If Book profit is exceeds Rs.10crore	20.9605%	20.9605%

6. As per the provisions of Section 112 of the Income Tax Act, 1961, long-term capital gains that are not exempt under Section 10(38) of the Income Tax Act, 1961 would be subject to tax at a rate of 20 percent (plus applicable surcharge plus education cess plus secondary and higher education cess).

However, as per the provision to Section 112(1), if the tax on long-term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long-term capital gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge plus education cess plus secondary and higher education cess). Further, with effect from A.Y 2015-16, this benefit of concessional taxation @ 10% without indexation is being withdrawn with respect to units and restricted only to listed securities.

7. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

(i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

(ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956, and notified by the Central Government in the Official Gazette for the purposes of this section.

8. As per section 111A of the Act, short-term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge plus education cess plus secondary and higher education cess)

9. Preliminary Expenses

Under Section 35D of the Act, the company will be entitled to the deduction equal to 1/5th of the Preliminary expenditure of the nature specified in the said section, including expenditure incurred on present issue, such as Brokerage and other charges by way of amortization over a period of 5 successive years, subject to stipulated limits.

10. Credit for Minimum Alternate Taxes ("MAT")

Under Section 115JAA (2A) of the Income Tax Act, 1961, tax credit shall be allowed in respect of any tax paid (MAT) under Section 115JB of the Income Tax Act, 1961 for any Assessment Year commencing on or after April 1, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Income Tax Act, 1961. Such MAT credit shall not be available for set-off beyond 10 years immediately succeeding the year in which the MAT credit initially arose.

II. Benefits to the Resident Shareholders of the Company under the Income-Tax Act,

1961:

1. As per section 10(34) of the Act, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003) received on the shares of the Company is exempt from tax in the hands of the shareholders.
2. Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains, it offers a benefit by permitting substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index as prescribed from time to time.
3. Under Section 10(38) of the Income Tax Act, 1961, long-term capital gains arising to a shareholder on transfer of equity shares in the company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to STT. However, the long-term capital gain of a shareholder being company shall be subject to income tax computation on book profit under section 115JB of the Income Tax, 1961.
4. As per section 112 of the Act, if the shares of the company are listed on a recognized stock exchange, taxable long-term capital gains, if any, on sale of the shares of the Company (in cases not covered under section 10(38) of the Act) would be charged to tax at the rate of 20% (plus applicable surcharge plus education cess plus secondary and higher education cess) after considering indexation benefits or at 10% (plus applicable surcharge plus education cess plus secondary and higher education cess) without indexation benefits, whichever is less.
5. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only part of capital gain is so reinvested, the exemption shall be allowed proportionately provided that the investment made in the long-term specified asset during any financial year does not exceed fifty lac rupees. In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A "long-term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

 - (i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or
 - (ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956, and notified by the Central Government in the Official Gazette for the purposes of this section.
6. Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.
7. Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the company would be taxable at a rate of 15

percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.

III. Non-Resident Indians/Non-Resident Shareholders (Other than FIIs and Foreign Venture Capital Investors)

1. Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961, received on the shares of the Company is exempt from tax.
2. As per section 10(38) of the Act, long-term capital gains arising to the shareholders from the transfer of a long-term capital asset being an equity share in the Company, where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the shareholder.
3. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only part of capital gain is so reinvested, the exemption shall be allowed proportionately provided that the investment made in the long-term specified asset during any financial year does not exceed fifty lac rupees. In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A "long-term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

(i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

(ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956, and notified by the Central Government in the Official Gazette for the purposes of this section.

4. Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.
5. Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.
6. Under section 115-C (e) of the Act, the Non-Resident Indian shareholder has an option to be governed by the provisions of Chapter XIIA of the Act viz. "Special Provisions Relating to

Certain Incomes of Non-Residents” which are as follows:

(i) As per provisions of section 115D read with section 115E of the Act, where shares in the Company are acquired or subscribed to in convertible foreign exchange by a Non-Resident Indian, capital gains arising to the non-resident on transfer of shares held for a period exceeding 12 months, shall (in cases not covered under section 10(38) of the Act) be concessionally taxed at the flat rate of 10% (plus applicable surcharge plus education cess plus secondary and higher education cess) (without indexation benefit but with protection against foreign exchange fluctuation).

(ii) As per section 115F of the Act, long-term capital gains (in cases not covered under section 10(38) of the Act) arising to a Non-Resident Indian from the transfer of shares of the company subscribed to in convertible foreign exchange shall be exempt from income tax, if the net consideration is reinvested in specified assets within six months from the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

(iii) As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

(iv) As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for the assessment year in which he is first assessable as a Resident, under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

(v) As per section 115-I of the Act, a Non-Resident Indian may elect not to be governed by the provision of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XIIA shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance the other provisions of the Act.

7. The tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

IV. Foreign Institutional Investors (FIIs)

1. Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961 received on the shares of the Company is exempt from tax.
2. As per section 10(38) of the Act, long-term capital gains arising to the FIIs from the transfer of a long-term capital asset being an equity share in the Company or a unit of equity oriented fund where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the FIIs.
3. As per section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the section 10(38) of the Act at the following rates:

Nature of income & Rate of tax (%)

Nature of Income	Rate of Tax (%)
Long-Term Capital Gain	10
Short-Term Capital Gain (Referred to Section 111A)	15
Short-Term Capital Gain (other than under section 111A)	30

The above tax rates have to be increased by the applicable surcharge, education cess, and secondary and higher education cess.

4. In case of long-term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.
5. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only part of capital gain is so reinvested, the exemption shall be allowed proportionately provided that the investment made in the long-term specified asset during any financial year does not exceed fifty lac rupees. In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A "long-term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

(i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

(ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956, and notified by the Central Government in the Official Gazette for the purposes of this section.

6. The tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.
7. However, where the equity shares form a part of its stock-in-trade, any income realized in the disposition of such equity shares may be treated as business profits, taxable in accordance with the DTAA between India and the country of tax residence of the FII. The nature of the equity shares held by the FII is usually determined on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases, sales and the ratio between purchases and sales and the holding etc. If the income realized from the disposition of equity shares is chargeable to tax in India as business income, FII's could claim, STT paid on purchase/sale of equity shares as allowable business expenditure. Business profits may be subject to applicable Tax Laws.

V. Venture Capital Companies/Funds

1. Under Section 10(23FB) of the Income Tax Act, 1961, any income of Venture Capital company / funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the Income Tax Act, 1961, any income derived by a person from his investment in venture capital companies / funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

VI. Mutual Funds

1. As per Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India would be exempt from income tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

Under the Wealth Tax Act, 1957

Benefits to shareholders of the Company

Shares of the Company held by the shareholder will not be treated as an asset within the meaning of section 2 (ea) of Wealth Tax Act, 1957. Hence the shares are not liable to Wealth Tax.

Tax Treaty Benefits

An investor has an option to be governed by the provisions of the Income Tax Act, 1967 or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.

Notes:

- The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;
- The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India as amended from time to time. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;
- This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and
- The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

SECTION IV-ABOUT THE COMPANY

INDUSTRY OVERVIEW

Disclaimer: pursuant to the requirements of the SEBI ICDR Regulations, 2009, the discussion on the business of our Company in this Letter of offer consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain products described in the Letter of offer could be trademarks, brand names and/ or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Letter of offer is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications and from information available from the World Wide Web.

The information in this Section is derived from various government/Industry Association publications and other sources. Neither we, nor any other person connected with the issue has verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

Overview of the Chemical Industry

The chemical industry is an integral part of the growing Indian industry. It includes basic chemicals and their products, petrochemicals, fertilizers and agrochemicals, paints, varnishes, gases, soaps, perfumes & toiletries and pharmaceuticals. It is one of the most diversified of all industrial sectors, covering thousands of commercial products. This industry occupies a pivotal position in meeting basic needs and improving quality of life. The industry is the mainstay of industrial and agricultural development of the country and provides raw materials, intermediates and process chemicals for several downstream industries such as textiles, paper, paints and varnish, soaps, detergents, pharmaceuticals, agrochemicals etc.

As per National Industrial Classification (NIC) 2004, chemicals & chemical products are covered under the Industry Division 24. The description of product groups under this Division is given below:

Table I : Description of product groups

Class	Description
2411	Manufacture of basic chemicals except fertilizers and nitrogen compounds
2412	Manufacture of Fertilizers and nitrogen compounds
2413	Manufacture of plastics in primary forms and of synthetic rubber
2421	Manufacture of pesticides and other agro chemical products
2422	Manufacture of paints, varnishes and similar coatings, printing ink and mastics
2423	Manufacture of pharmaceuticals, medicinal chemicals and botanical products
2424	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations
2429	Manufacture of other chemical product not elsewhere classified
2430	Manufacture of man-made fibers [this class includes manufacture of artificial or synthetic filament and non- filament fibers.]

According to estimates of the Central Statistical Office (CSO), chemicals and chemical products (Industry Division 24 of NIC 2004) accounted for 2.51% of the GDP (at 2004-05 prices) in 2012-13, compared to 2.53% in 2011-12. The share of this sector in the GDP from manufacturing sector at 2004-05 prices was 15.95% during 2012-13, compared to 15.55% in 2011-12. The annual average Indices of Industrial Production (compiled by the CSO) for chemicals and chemical products (Industry Division 24 of NIC 2004) for 2013-14 stands at 138.6 as compared to 127.3 for 2012-13, implying a growth rate of 8.9%. As per the estimates of the CSO, the size of the Indian Chemical industry in terms of value of output in the year 2012-13 was Rs. 7,82,949 crore.

The production of selected major chemicals and petrochemicals during the years 2008-09 to 2013-14 is shown in Table-II. The production of major chemicals and petrochemicals in 2013-14 was 19308

thousand MT, compared to 18822 thousand MT in 2012-13, implying a growth of 2.6%.

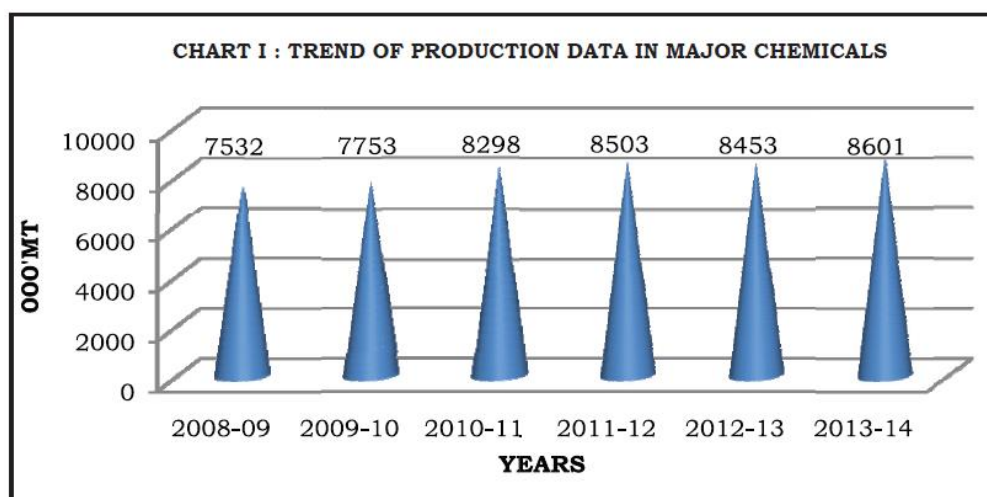
Table II : Production of selected major chemicals and petrochemicals

{Figures in Thousand Metric Tonnes (MT)}

Group	Production	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Alkali Chemicals	Production	5442	5602	5981	6113	6081	6074
	Growth Rate%	0	2.9	6.8	2.2	-0.5	-0.1
Inorganic Chemicals	Production	513	518	572	574	533	545
	Growth Rate%	-15.8	1	10.5	0.4	-7.2	2.2
Organic Chemicals	Production	1338	1353	1437	1490	1513	1615
	Growth Rate%	-17.5	1.1	6.2	3.7	1.6	6.7
Pesticides	Production	121	124	133	146	147	167
	Growth Rate%	3.3	1.7	7.7	9.9	0.5	13.7
Dyes & Dyestuffs	Production	117	157	174	180	179	201
	Growth Rate%	-5.9	33.9	11	3.5	-0.8	12
Total Major Chemicals	Production	7532	7753	8298	8503	8453	8601
	Growth Rate%	-4.9	2.9	7	2.5	-0.6	1.7
Synthetic Fibers	Production	2469	2819	3083	3042	3040	3025
	Growth Rate%	-6.8	14.2	9.4	-1.3	-0.1	-0.5
Polymers	Production	5060	4791	5292	6211	6424	6784
	Growth Rate%	-4.6	-5.3	0.5	17.4	3.4	5.6
Elastomers (S.Rubber)	Production	96	106	95	88	86	88
	Growth Rate%	-8.5	10	-10.5	-7	-2.8	3.4
Synth. Detergen Intermediates	Production	552	618	638	623	627	597
	Growth Rate%	-5.7	12	3.3	-2.4	0.7	-4.8
Performance Plastics	Production	145	176	196	188	193	213
	Growth Rate%	9.4	21.5	11.4	-4.2	2.6	10.5
Total Major Petrochemicals	Production	8322	8509	9304	10151	10368	10707
	Growth Rate%	-5.4	2.3	9.3	9.1	2.1	3.3
Total Major Chemicals and Petrochemicals	Production	15853	16262	17602	18655	18822	19308
	Growth Rate%	-5.2	2.6	8.2	6	0.9	2.6

Chemical Sector- Production Trends

From Table II, it may be seen that the production of Alkali Chemicals accounts for more than 70% of the total production of major chemicals. The production of major chemicals in 2013-14 was 8601 thousand MT, compared to 8453 thousand MT in 2012-13 implying a growth of 1.7%. The trend in the production of selected major chemicals is depicted in Chart-I.



[Source: Ministry of Chemicals and Fertilizers, Department of Chemicals and Petrochemicals, Annual Report 2013-14 (<http://chemicals.nic.in/english%20annual%20report%20new%20%20file%201->

The domestic chemical industry is heterogeneous in nature comprising organic, inorganic, petrochemicals, dyes, paints, pesticides and specialty chemicals manufactured in the small scale and large units (including MNCs). In the global context, the industry is increasingly moving eastwards in line with the shift of its key consumer industries (for example, automotive, electronics and so on) to leverage greater manufacturing competitiveness and share of Asia in the global chemical industry has risen from 31 per cent in 1999 to 45 per cent in 2009. With the current size of \$108 billion, the Indian chemical industry accounts for ~3 per cent of the global chemical industry.

[Source: http://planningcommission.nic.in/plans/planrel/fiveyr/12th/pdf/12fyp_vol2.pdf]

Chemical clusters

Presently, Chemicals units are dispersed throughout the country due to incentives offered by the respective State Governments. There is a need to form clusters with provision of common infrastructure facilities to address the constraints of common effluent treatment, transport linkages, including roads, power supply, water facilities, etc. For infrastructure related problems of the existing industry, the Department of Chemicals and Petrochemicals (DCPC) considers to set up a "single window support mechanism" to expedite the process in consultations with the concerned Ministries/Depts.

Government will explore the option of promoting the concept of chemical clusters, similar to PCPIRs, and the same will be supported through a mother plant concept, which will provide inputs to downstream plants. Government will co-ordinate with companies to aggregate requirements and accordingly plan to set up clusters.

Consolidation of small capacities

Government will create awareness about benefits of capacity consolidation amongst SMEs. Wherever possible, government will support consolidation of smaller capacities and establishment of chemical clusters by shifting downstream capacities close to mother plants. Government may consider to provide part financial assistance for any such relocation.

Need for consolidation of Acts and Rules

At present, there are multiple legislations in India governing the chemicals industry that fall under the purview of different Ministries as given below:

Ministry	Act
Ministry of Environment & Forests	Environment Protection Act, 1986
Ministry of Labour	Factories Act, 1948
Ministry of Road Transport & Highways	The Motor Vehicles Act, 1988
Ministry of Commerce & Industry	The Explosives Act, 1884
Ministry of Home Affairs	The Disaster Management Act, 2005
Dept. of Chemicals & Petrochemicals	The CWC Act, 2000
Ministry of Rural Development	Land Acquisition. Act, 1894

Specialty chemicals as a focus area

Specialty chemicals, viz. high value, low volume chemicals, known for their end use applications or performance enhancing properties, have good future, and need to be declared as a focus area. These include construction chemicals, paint driers, food additives, antioxidants, retarders, water treatment chemicals, etc. Since infrastructure projects are being developed in the country on a massive scale, the demand of these chemicals will grow by leaps and bounds.

Several initiatives need to be undertaken to ensure successful growth of the specialty chemicals sector. Special focus needs to be provided to the specialty chemicals companies to set up capacities in PCPIRs by demarcating special zones to aggregate feedstock demand. The anchor tenant will be encouraged to set up an Ethylene Oxide (EO) plant with stringent manufacturing standards to meet the feedstock demand. The additional Ethylene Oxide (EO) requirement by the specialty chemical industry by 2020 will be around 260,000 tonnes per annum, which could comfortably support 1 to 2 EO plants within the PCPIRs.

A **Specialty Chemicals Forum** could be established to frame relevant consumer standards. This forum could have representation from industry, customer and government to recommend consumer standards, incentives to drive innovation, and product safety standards. The forum will also be a means of dialogue to hold seminars on the subject, to discuss issues affecting both these sectors,

and to highlight and resolve the primary bottlenecks to growth. This forum will study other countries' regulations and develop consumer standards, and work towards their introduction and implementation.

[Source: Ministry of Chemicals and Fertilizers, Department of Chemicals and Petrochemicals, National Chemical Policy-2012 (http://chemicals.nic.in/DNCP_2012.pdf)]

BUSINESS OVERVIEW

Overview

Our Company was incorporated as Polson Limited on December 21, 1938, under the Indian Companies Act VII of 1913, with the Registrar of Companies, Bombay. The registration no. assigned to our Company was 002879. The CIN of the Company at present is L15203PN1938PLC002879.

Polson was originally incorporated to carry on the business of manufacturing dairy products. With government policy reserving the dairy sector for the Co-operative sector, Polson had no option but to end its dairy activities which it finally did in the year 1985. At present, the company is engaged in manufacturing of chemicals for the leather industry in India and overseas. In 1972, Polson acquired a vegetable tannin extract manufacturing company making natural products used as a de-scaling agent for steam engines and as a tanning agent for the leather industry. With the phase out of steam engines, escalating operating and raw material costs, small product range disadvantages, cheap import substitutes and a militant labor union, this unit was closed in August of 1998.

In September 1998, the Company restarted its operations in the same location, with the same plant and equipment after significant restructuring and a significantly modified business strategy. Two years later i.e. during the year 2000-01 sales and profitability increased 300% and the growth continued at aggressive growth rates thereafter.

The Company is currently engaged in the manufacture and sale of vegetable tannin materials and leather chemicals to leather industries in India and internationally. The Company offers vegetable tannin extracts, as well as organic and inorganic chemicals. Polson also exports its products internationally. The corporate office of the company located is headquartered in Mumbai and its manufacturing units are located at Kolhapur in Maharashtra.

The Company is engaged in manufacturing of following products:

S.No	Product Name
1.	Kincitan KMN
2.	Synktan VW Tanning Agent
3.	Deacitan KMN
4.	Corilene EG
5.	Recortan BOS

(1) Details of the business of the issuer

a. Location of the manufacturing facilities

We have three manufacturing units, details of which are given below:

Manufacturing Units	Location
Kolhapur – Unit – I	Plot No. B-4, Kagal Hatkanangale Industrial Area, District Kolhapur
Kolhapur – Unit – II	Village Amba, Taluka Shahuwadi, District Kolhapur, bearing Nos. 42, Hissa No. 2 and Survey Nos. 29/(31, 33, 34, 36, 101, 102)
Kolhapur – Unit – III	Plot No. D-23, Gokul Shirgaon Industrial Area, within the village limits of Gokul Shirgaon, Taluka & Registration Sub-District Karveer, District Kolhapur

b. Location of the Corporate Office:

The Corporate office of our Company, which is located at 3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M. Karve Road, Churchgate, Mumbai – 400020, is owned by the Europa Chemicals Private Limited, a Company belonging to Promoter Group.

The details of same are as below:

S. No.	Location	Kind	Document Date	Licensor	Key Terms	Rent Paid
1	3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M. Karve Road, Churchgate, Mumbai – 400020	Office Premises	Memorandum of Understanding dated May 04, 2006	Europa Chemicals Private Limited	The Company has taken the said premises on rental basis with effect from October 01, 2007, with a right to sub-let the said premises	Rs. 7,500 per month

c. Plant, machinery, technology, process, etc.:

No Plant, machinery etc. is proposed to be bought out of the proceeds of the present issue.

d. Collaborations, any performance guarantee or assistance in marketing by the collaborators:

Nil

e. Infrastructure facilities for raw materials and utilities like water, electricity, etc.

Raw Materials

The basic raw materials required for manufacturing vegetable tannin extract are PCMC, NIPACIDE BIT 20, SAVOX BW 300, SILICON DE FOAMER, LAURYL ALCOHOL etc. These raw materials are available from M/s Daryanomal Lakhmichand, M/s Reshma Enterprises, Clariant Chemicals (India) Limited, Grasim Industries Limited, Esteem Industries Private Limited, Sichuan Shenhong Chemical Industry Company Limited and various other companies.

Raw material procurement policy

We have an established supplier base with whom we have been dealing for years. We have stringent quality control checks before any consignment is accepted for dispatch to sites as the quality of raw materials has a direct bearing on the quality of finished products.

Some of our Major Raw Material Suppliers are as follows:-

- ➔ M/s Daryanomal Lakhmichand
- ➔ Rajaram Maize Products
- ➔ M/s Reshma Enterprises
- ➔ Clariant Chemicals (India) Limited
- ➔ Grasim Industries Limited
- ➔ Esteem Industries Private Limited
- ➔ Sichuan Shenhong Chemical Industry Company Limited

Our quality control department performs the inspection of materials before dispatch to sites as per the quality control policy. Only conforming materials are cleared for dispatch.

Power

We have adequate power supply arrangements from the Maharashtra State Electricity Distribution Company Limited for all of our active Manufacturing units.

Unit I has a sanctioned load of 263 KW.

Unit II has a sanctioned load of 336 KW.

Unit III is essentially a standby unit and is run only on DG sets as and when required.

Water

Water supply arrangements are in place with Maharashtra Shasan Pat Bandhare Vibhaag (the State Irrigation Department).

f. Products or services of Polson Limited:

Nature of Our Product

The Company is engaged in the manufacture of vegetable tannin materials and leather chemicals to leather industries in India and overseas. The Company offers vegetable tannin extracts, as well as organic and inorganic chemicals. The nature of our product offering is essentially industrial.

Our Product Range

The products of the Company comprise mainly of vegetable tannin extracts, as well as organic and inorganic chemicals, for supply to leather industry.

Product Portfolio

The major products of the Company are listed below:

S.No.	Product Name
1.	Kincitan KMN
2.	Synktan VW Tanning Agent
3.	Deacitan KMN
4.	Corilene EG
5.	Recortan BOS

The top ten clients of our Company as per Sales Turnover in FY 2013 are as under:

S.No	Name
1.	B. K. Giulini Specialities Private Limited
2.	Ruchi International
3.	Kindle Blaze
4.	Stahl India Private Limited
5.	Stahl Asia Pacific Pte. Ltd.
6.	Stahl Coating & Fine Chemical
7.	BASF India Limited
8.	Clariant Chemical India Limited
9.	TFL Leather
10.	Buckman Laboratories India Private Limited

Manufacturing Process

In brief the manufacturing process followed by us is as under:

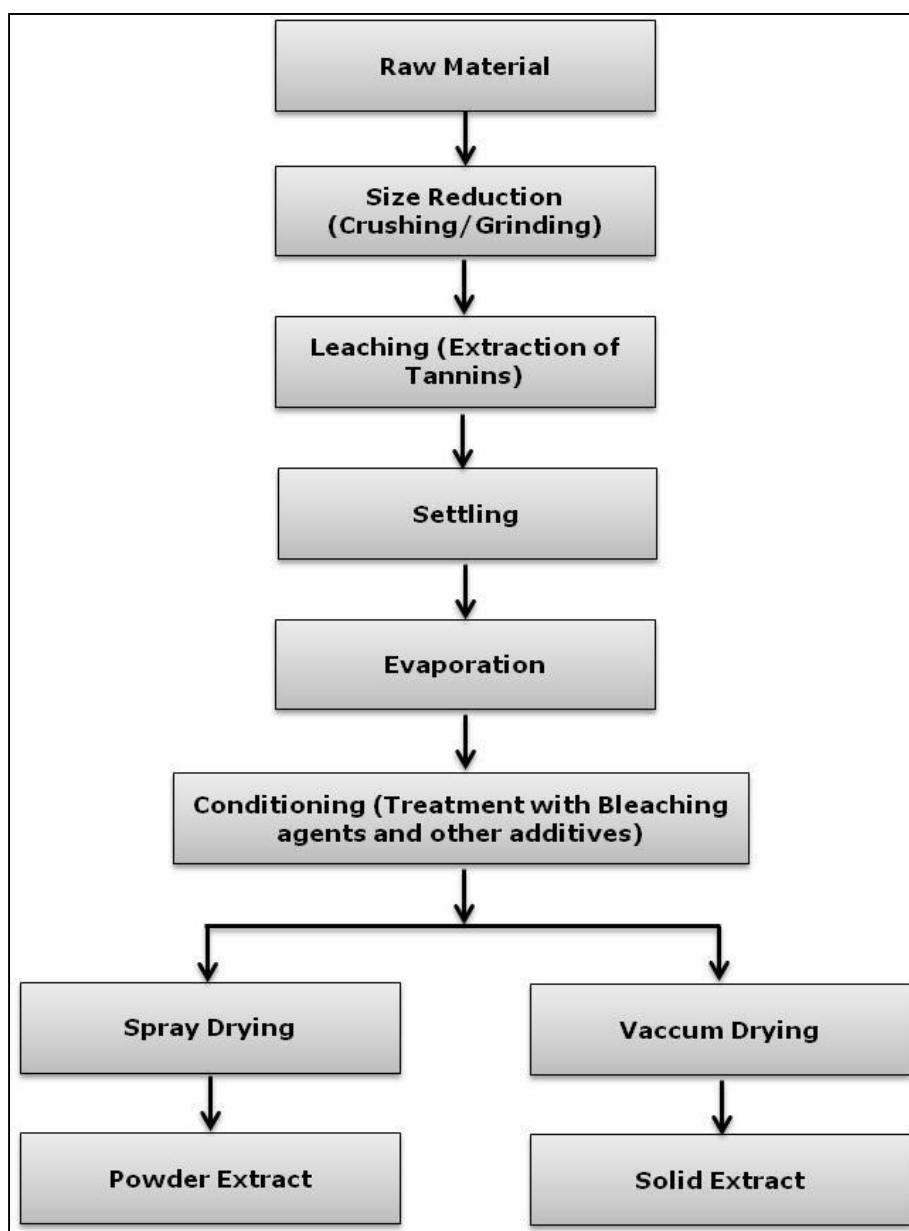
The tannins are widely distributed in nature and occur in different parts of the plant, barks (wattle), roots (canaigre), fruits (myrobalan), leaves (sumac), pods (tara) and cups (velonia)...etc. Tannins occur throughout the greater part of plant Kingdom, and are more prevalent among the higher plants or angiosperm, especially in certain dicotyledonous families.

Vegetable tannins are important as retanning agent in the leather production and have been recognized as an important tanning agent in non-chrome tanning. Commercial vegetable tannins are not capable of radically changing the quality of the usual leather products, so that the appearance of a new vegetable tannin is of great importance. Characterization of vegetable tannins is important in regard to new tannin for use in leather production. Vegetable tannins were previously classified by means of chemical tests viz, ammonium sulphide solution, limewater, concentrated sulphuric acid, hydrochloric acid-formaldehyde, acetic acid-lead acetate, or bromine water. Coloration using Iron (II) chloride is well known in leather chemistry. It has been reported that the condensed type mainly consist of flavan-3-ol units condensed at 4- and 8- positions. The hydrolysable tannin types were classified into the gallotannins and ellagitannins type. While vegetable tannins are the mixture of complex phenolic compounds, their main components have been gradually identified.

Chromatography is the only convenient means of qualitative analysis and the two-way paper chromatography or thin layer chromatography are normally employed to produce "finger print" which is then compared with chromatogram of known materials. Ultraviolet (UV) spectroscopy was used to determine a part of constitution of vegetable tannins. Analysis of various vegetable tannins proceeded by means of ultraviolet, Fourier transform infrared spectroscopies (FTIR) and liquid chromatography (LC). Molecular weights (obtained by means of LC) showed no distinguishing differences amongst various tannins. By using UV spectra it was possible to determine the type of vegetable tannins. The FTIR spectra of each vegetable tannin showed the characteristic absorption patterns, which also allowed us to characterize individual tannins. Also analysis of tan, non-tan, insolubles, moisture content from the various parts of the plant, bark, leaves, wood...etc were carried out by official methods of the analysis.

Polson specializes in the manufacture of tannins extracted with water as solvent in open vats at moderate temperature. However, water used for extraction (leaching) should not contain iron and should be soft. The commercial vegetable tannin extracts or "tan liquors" as they are popularly known in the leather industry are mixtures of polyphenolic compounds with a definite T/NT ratio, astringency etc, along with other plant products.

The manufacture of the vegetable tannin extract is essentially based on the extraction of tannins by using a suitable solvent, usually water, followed by concentration and spray drying to get powder or solidification to get solid (block) extract.



(i) **Details of the market**

The products manufactured by us are supplied to the Leather Industry in India and Overseas.

Our specific line of business is not recognised as a separate industry in India and is categorised a part of the larger chemical industry.

Polson Limited is essentially engaged in the business of manufacturing of vegetable tannin materials and leather chemicals. The Company offers vegetable tannin extracts, as well as organic and inorganic chemicals.

Like any other company, our Company also faces competition from both multinationals, having a big image in the industry and organized foreign brands as well.

(ii) **The approach to marketing and proposed marketing set up.**

We have an long standing and established customer base. We have a strong and dedicated sales and marketing team in place. The team has developed strong relationships with customers over the years. The customers range from Large to Medium sized corporate houses to large suppliers/traders of Chemical Products, both in India and abroad.

We build long term relationships with our customers. Our approach is 'Customer is King'. We grow with our customers and help them to help us. Special measures are taken to ensure customer acquisition.

Some of our Marketing Strategies are:

- (1) Free Samples: We provide free small samples to our customers for their testing and evaluation. This helps to build customers' confidence in our product.
- (2) Direct Marketing: Through direct marketing we target few large end-user and thus increase our profit margins as the dealer/distributors chain is not present.
- (3) Dealer Network, Integrated wide-spread distribution network: Good dealer network helps to provide better services and timely deliveries to end-customers meeting specific quantity requirements.
- (4) Demonstrations: provide our customers with product demonstrations & comparative study of competition products. This enables them to judge our products' quality and performance to place orders with us.
- (5) On-site Technical Services & Troubleshooting: We provide onsite technical services to solve our customers processing problems. We also furnish them with product specifications and technical literatures.
- (6) New launches- value added products & economical packages: We offer new products to the customers which helps them to simplify processes, reduce time duration etc., which reduces the customers costing.
- (7) Timely Deliveries: We follow the dispatch schedules required by the customers by keeping adequate stocks, foreseeing the monthly requirements and planning the production schedule accordingly. Moreover, our distributors maintain stocks such that the end-user requirements and urgent needs are well met with.

(iii) The export possibilities and export obligations, if any.

Exports account for approximately 65% of our total revenues.

Our Company is currently indirectly/directly exporting to various countries like China, Hong Kong, Taiwan, Singapore and Switzerland through Merchant Exporters and Export Houses. Our products are also being sold under our brand name in different countries. We are constantly tapping new markets to have tie ups with reputed distributors in view of long term relationship. The Company's drive is to expand its business and provide the best to many other countries of the world.

Currently, the Company does not have any export obligations.

(2) **Business strategy**

a. OUR BUSINESS STRATEGY

Our vision is to become a renowned and major vegetable tannin extract manufacturer by providing cost-effective and quality products. In line with this vision, our strategy is to capitalize on our core strengths and thus enhance the volume of our business. We intend to focus on our existing range of products with specific emphasis on the following as a part of our growth strategy:

→ **To strengthen our relationships with existing clients and to develop relationships with new clients**

We will further consolidate and strengthen our relationship with existing clients by providing them with quality products and at the same time will consistently develop new relations.

→ **To continue focus on product development through constant research and development**

Our Company continues to focus on research and development as a core thrust of our business. 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. We believe constant research and development would enable us to remain ahead of competition and also to help customers with lower costs and enhance their efficiency. We also focus on process improvements to bring down operational costs and enhance the quality of products. Through an in-house quality control and research and development, we have created our own knowledge database and are providing new products to our customers. Our Company makes continuous efforts to apply modern techniques in the manufacturing process as a practice, in order to achieve better quality products.

→ **To strengthen our competitive position**

Our Company intends to strengthen the competitive position of our products by undertaking brand-building exercise. We would focus on providing quality products at competitive prices.

→ **Increase Market Share in the Domestic Market**

→ **To make optimal utilization of resources**

Our Company constantly endeavors to improve our productivity levels by optimum resource utilization, improvement in manufacturing process, skill up-gradation of our workers, modernization of machineries to achieve better asset turnover. We regularly analyze our existing raw material procurement policy and manufacturing processes to identify the areas of bottlenecks and timely correct the same. This helps us in improving efficiency and putting resources to optimal use.

b. FUTURE PROSPECTS:

The Company plans to develop new product and target new customer base in domestic & overseas market.

(i) **Capacity and Capacity Utilisation:**

Name of Product	Capacity Utilisation					
	2012	2013	2014	2015	2016	2017
Installed Capacity (in MT)	28500	35000	35000	35000	35000	40000
Vegetable & Tannin Products (in MT)	15908	17095	17420	18900	18900	21600
(in Percentage)	55.81%	48.84%	49.77%	54.00%	54.00%	54.00%

(3) **Intellectual property rights**

Trademarks and Patents are essential to our business to strengthen our competitive position. We also enter into trade secret agreements, confidentiality agreements with our employees, third parties etc. to protect our technology, processes and products. Please find below details of trademarks and patents registered by the Company:

Patents

Nil

Trademarks

We have 11 registered trademarks, the details of the same are provided below:

S. No.	Trade Mark No./Application No.	Class	Date of Expiry	Status	Trademark/Logo
(i)	12047	29	February 15, 2017	Registered	
(ii)	12048	29	February 15, 2017	Registered	
(iii)	12049	30	February 15, 2017	Registered	
(iv)	147633	30	February 22, 2018	Registered	
(v)	147953	29	March 13, 2018	Registered	-
(vi)	147954	30	March 13, 2018	Registered	-
(vii)	151814	29	December 03, 2018	Registered	-
(viii)	151815	30	December 02, 2018	Registered	POLSON LIMITED
(ix)	613520	1	December 08, 2023	Registered	
(x)	619388	30	February 14, 2024	Registered	
(xi)	619387	29	February 14, 2021	Registered	
(xii)	2087594	1 to 45	-	Objected [#]	-
(xiii)	2087595	1 to 45	-	Objected ^{\$}	

The examination report No. TMR/MUMBAI/EXM/2013/ dated March 20, 2012 from the Registrar of Trademarks, Mumbai reflects that the Trade Mark application objected by the Registrar of Trademarks, Mumbai and the examination report reflects that the Trade Mark application is open to objection on relative grounds of refusal under Section 11 of the Act because the same/similar trade mark(s) is/are already on record of the register for the same or similar goods/services. The same has been replied to by the Company vide its replies dated September 04, 2012 and December 24, 2012. Moreover, it is used by the company for more than five decades. Therefore it is capable for registration under the Trade Marks Act. However, the same is pending further revert from the

Registry.

\$ The examination report No. TMR/MUMBAI/EXM/2013/ dated December 09, 2011 from the Registrar of Trademarks, Mumbai reflects that the Trade Mark application objected by the Registrar of Trademarks, Mumbai and the examination report reflects that the Trade Mark application is open to objection on relative grounds of refusal under Section 11 of the Act because the same/similar trade mark(s) is/are already on record of the register for the same or similar goods/services. The same has been replied to by the Company vide its replies dated September 26, 2012 and December 24, 2012. Moreover, it is used by the company for more than five decades. Further, the said trademark is already registered in the name of the Company under classes 01, 29 and 30, for which the registration is still effective. Therefore it is capable for registration under the Trade Marks Act. However, the same is pending further revert from the Registry.

Employees

Due to the specialized nature of our business, our success, to a large extent depends on our ability to recruit, train and retain high quality professionals. As of date of filing final offer document, we have approximately 36 employees on roll of our Company, apart from the above, Company hires Contract Labour for who operate in its Manufacturing Facility.

Our R&D and Quality Assurance / Control team consists scientists, microbiologists, engineers, food technologists and biotechnologists. Our highly motivated and dedicated sales & marketing team is well supported by our production team which experienced and trained. In addition to above, we have a finance team and other employees focusing on administration and other activities.

(4) Property

The Company occupies the following immovable properties:

S. No.	Location of Property	Activity carried on by the Company	Title of the Company	Type of Agreement and Term of Lease, if applicable	Lessor/ Licensor (if applicable)
1.	3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M. Karve Road, Churchgate, Mumbai - 400020	Corporate Office	Leasehold	Details of Agreement: Memorandum of Understanding dated May 04, 2006, executed between the Company and Europa Chemicals Private Limited Duration : The MoU came into effect from 1-10-2007 and will continue till one party gives notice of vacating the premises to the other party.	Europa Chemicals Private Limited
2.	Plot No. B-4, Kagal Hatkanangale Industrial Area, District Kolhapur	Manufacturing Facility	Licensee	Details of Agreement: Agreement dated January 16, 2007 between the Company and Maharashtra Industrial Development Corporation Duration : 95 years	Maharashtra Industrial Development Corporation
3.	Village Amba, Taluka Shahuwadi, District Kolhapur, bearing Nos. 42, Hissa No. 2 and Survey Nos. 29/(31, 33, 34, 36, 101, 102)	Manufacturing Facility	Ownership	Not Applicable	Not Applicable

S. No.	Location of Property	Activity carried on by the Company	Title of the Company	Type of Agreement and Term of Lease, if applicable	Lessor/ Licensor (if applicable)
4.	Plot No. D-23, Gokul Shirgaon Industrial Area, within the village limits of Gokul Shirgaon, Taluka & Registration Sub-District Karveer, District Kolhapur	Manufacturing Facility	Licensee	Details of Agreement: Agreement dated February 08, 2012 between the Company and Maharashtra Industrial Development Corporation and CitiBank N.A. Duration : 95 years from 01-07-1989	Maharashtra Industrial Development Corporation
5.	615 Churchgate Chambers, 5 Sir Vithaldas Thackersey Marg, New Marine Lines, Churchgate Mumbai-400 020	Office	Lease	Details of Agreement: Agreement dated June 30, 2013 between the Company and Mr. Manmohan Anand. The said premise is made available to the Company at a fix monthly service fee of Rs. 95,000 plus Service Tax for first 2 years, thereafter the service charges would be as under: - Rs. 1,04,500/- for July 15, 2015 to July 14, 2016. - Rs. 1,09,725/- for July 15, 2016 to July 14, 2017 - Rs. 1,15,211/- for July 15, 2017 to July 14, 2018 Duration: The duration of the Agreement shall be for a fixed period of 5 years i.e. from July 15, 2013 till July 14, 2018	Mr. Manmohan Anand
6.	616 Churchgate Chambers, 5 Sir Vithaldas Thackersey Marg, New Marine Lines, Churchgate Mumbai-400 020	Office	Lease	Details of Agreement: Agreement dated June 30, 2013 between the Company and Krislon Synthetics Private Limited. The said premise is made available to the Company at a fix monthly service fee of Rs. 95,000 plus Service Tax for first 2 years, thereafter the service charges would be as under: - Rs. 1,04,500/- for July 15, 2015 to July 14, 2016. - Rs. 1,09,725/- for July 15, 2016 to July 14, 2017 - Rs. 1,15,211/- for July 15, 2017 to July 14, 2018 Duration: The duration of the Agreement shall be for a fixed period of 5 years i.e. from July 15, 2013 till July 14, 2018	Krislon Synthetics Private Limited

S. No.	Location of Property	Activity carried on by the Company	Title of the Company	Type of Agreement and Term of Lease, if applicable	Lessor/ Licensor (if applicable)
7.	100, Pammal Village, comprised in pymash no. 730, R.S. No 206/13-A, Block No 2, in Tambaram Taluk, Kancheepuram District	Office	Ownership	Not Applicable	Not Applicable

(5) Purchase of property

There is no property that has been purchased or acquired by the Company or is proposed to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by this Letter of Offer or the purchase or acquisition of which has not been completed at the date of issue of the Letter of Offer.

(6) Land

No land has been acquired/ proposed to be acquired alongwith by the Company from entities having any sort of relation with any Promoter or Director of the Company.

(7) Insurance

Our Company has adequate insurance cover including Keyman Insurance Policy, Fire and Special Perils Policies, Marine Cargo Open Policies etc.

KEY INDUSTRY REGULATIONS

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to this industry. The information detailed below has been obtained from the various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain.

The regulations set out below are not exhaustive and are only intended to provide general information to the investors.

THE FACTORIES ACT, 1948

As per the provisions set out under this Act, a factory wherein 10 or more workers are working on any day of the preceding twelve months and manufacturing process is being carried on with the aid of power or wherein 20 or more workers are working on any day of the preceding twelve months and manufacturing process is being carried on without the aid of power is required to be registered under Factories Act, 1948.

According to Section 7(1) of the Factories Act, 1948, the occupier shall at least 15 days before he begins to occupy or use any premises as a factory, send to the Chief Inspector, a written notice containing particulars of the factory, its occupier, owner of premises, nature of manufacturing process, number of workers and such other information as may be prescribed.

THE EXPLOSIVES ACT, 1884

The Act regulates the manufacture, possession, use, sale, transport, import and export of explosives. As per the definition of 'explosives' under the Act any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Act.

The Central Government may, for any part of India, make rules consistent with this Act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Act.

THE ENVIRONMENT (PROTECTION) ACT, 1986

The Environment (Protection) Act, 1986 was enacted after the decision taken at the United Nations Conference on the Human Environment held at Stockholm in June, 1972. The scope of the Act is very broad, with "environment" defined to include water, air and land and the inter-relationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

THE AIR (PREVENTION & CONTROL OF POLLUTION) ACT, 1981

The Air (Prevention & Control of Pollution) Act, 1981 provides for the prevention, control and abatement of air pollution. According to Section 21 of the of the Air (Prevention & Control of Pollution) Act, 1981, no person shall, without the previous consent of the State Pollution Control Board, establish or operate any industrial plant in an air pollution control area. Further as per the provisions of Section 22 of the said act, no person operating any industrial plant, in any air pollution control area shall discharge or cause or permit to be discharged the emission of any air pollution in excess of the standards laid down by the State Board under Clause 17(1)(g).

THE WATER (PREVENTION & CONTROL OF POLLUTION) ACT, 1974

The Water (Prevention & Control of Pollution) Act, 1974 is act was enacted to deal with the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water. According to Section 25(1) of the Water (Prevention & Control of Pollution) Act, 1974, no person shall without the previous consent of the State Pollution Control Board, establish or take any steps to establish any industry, operation or process or any treatment and disposal system for any extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land ("discharge of sewage") or bring into use any new or altered outlet for the discharge of sewage or begin to make any new discharge of sewage. Under Section 25(4), the State Pollution Control Board may grant its consent subject to certain conditions relating to the point, nature, composition, temperature, volume, rate, etc. of discharge of sewage, or refuse and for a specified period.

HAZARDOUS WASTES (MANAGEMENT AND HANDLING) RULES, 1989

Every occupier and the operator who is involved in handling of hazardous waste shall be responsible for proper collection, reception, treatment, storage and disposal of hazardous waste. The occupier, who intends to get his hazardous waste treated by the operator of a facility, shall give, to the operator, such information as may be specified by the State Pollution Control Board.

It shall be the responsibility of the occupier and the operator of a facility, to take all steps to ensure that the waste are properly handled and disposed of without any adverse effects to the environment.

Apart from the above, other laws and regulations that may be applicable, include the following:

- Contract Labour (Regulation and Abolition) Act, 1970
- Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- Employees' State Insurance Act, 1948
- Industrial (Development and Regulation) Act, 1951
- Payment of Bonus Act, 1965
- Payment of Gratuity Act, 1972
- The Industrial Dispute Act, 1947 and Industrial Disputes (Central) Rules, 1957
- Payment of Wages Act, 1936
- Public Liability Insurance Act, 1991

THE PAYMENT OF GRATUITY ACT, 1972

The Payment of gratuity Act, 1972 was enacted to introduce a scheme for payment of gratuity for certain employees employed in Industrial and commercial establishment as a measure of social security. By the amendment of 1984 by act 26 of 1984 sub section (3A) was inserted in section 1 to the Payment of Gratuity Act 1972 to ensure that once the act has become applicable to such shop or establishment it shall continue to be so notwithstanding the fact that the number of persons employed therein at any time after it has become so applicable falls below ten. To ensure that an unscrupulous employer may not fabricate the records to avoid application of the Act or reduce the number of employees just to avoid payment of gratuity, various provisions, as to notice of opening, notice of change or closure of the shop or establishment, and appointment of inspectors have been made under the Act. Any violation thereof have been made offences punishable with imprisonment or fine or with both.

THE EMPLOYEES STATE INSURANCE ACT, 1948

The object of the Employees State Insurance Act 1948 is to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provisions for certain other matters in relation thereto. Whenever any insured person falls ill, he/she not only get free medical aid but also receive sickness benefits. The woman employees also need no longer fear that they would be dismissed or removed from service in case they expect babies. Such female employees not only retain their jobs but they get maternity benefits for a period of twelve week before and after confinement. In case any insured person is injured in the course of his work and permanently or temporarily disabled, he will get what is called disablement benefit in the form of cash in installments. Even the dependents of an insured person are entitled to benefits in case of death of insured person. To qualify for all these benefits, the insurable employee has to pay very small amount @ 1.75% of the wages as his share of his contribution. Every factory or establishment to which this act applies is required to be registered alongwith the employees. For carrying into effect the provisions of the Act, the Central Government has also made the Employees State Insurance (General) Regulations, 1950 and they extend to the whole of the Union Territory of India. The employee's contribution will be 4.75% of the wages. The act and the Regulations made thereunder cast certain obligations on every employer to which they apply. Failure to fulfill those obligations exposes an employer to prosecution.

THE EMPLOYEES PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952

The Act provides for the institution of Provident Funds, Pension Fund and Deposit-Linked insurance fund for employees in Factories and other Establishments. The act applies to (a) every establishment which is a factory engaged in any industry specified in Schedule of the Act and in which 20 or more persons are employed and (b) any other establishment which the Central Government by Notification specify giving not less than two months' notice of its intention to do so in the Official Gazette.

THE CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970

It applies to every establishment in which 20 or more workmen are employed or were employed on any day on the preceding 12 months as contract labour and to every contractor who employs or who employed on any day of the preceding 12 months 20 or more workmen. It does not apply to establishments where the work performed is of intermittent or casual nature. It aims to prevent any exploitation of the persons engaged as contract labour, who are generally neither borne on pay roll or muster roll nor is paid wages directly. It provides for registration requirements of the principal employer, who has the responsibility for inadequate wage payments by the contractor to the labour.

THE PAYMENT OF WAGES ACT, 1936

It regulates payment of wages to certain classes of employed persons. It makes every employer responsible for the payment of wages to person employed by him. No deductions can be made from the wages nor can any fine be levied on wages earned by a person employed except as provided under this Act.

THE MINIMUM WAGES ACT, 1948

It came into force with an objective to provide for the fixation of a minimum wage by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act

THE PAYMENT OF BONUS ACT, 1965

It was enacted with the objective of providing of payment of bonus to employees on the basis of profit or on the basis of productivity. This Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or Rs. 100, whichever is higher.

THE WORKMEN'S COMPENSATION ACT, 1923

It has been enacted with the objective to provide for the payment by certain classes of employers to their workmen or their survivors, compensation for industrial accidents and occupational diseases resulting in death or disablement. In case the employer fails to pay compensation due under the Act within one month from the date it falls due the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

HISTORY AND CERTAIN CORPORATE MATTERS

HISTORY AND MAJOR EVENTS

Our Company was originally incorporated as Polson Limited on December 21, 1938, under the Indian Companies Act, VII of 1913, with the Registrar of Companies, Bombay.

1. Major Events

Date/Period	Activities
1888	Seth Pestunji Edulji Polson had started business of selling coffee in Bombay
1900	Trade Mark 'Polson' which was part of the erstwhile Promoters name was used for selling coffee.
1915	Started marketing and selling butter, cheese, flour, etc., besides coffee under the said trade mark 'Polson'.
1930	Seth Pestunji Edulji Polson developed a modern dairy at Anand (Gujarat) which inter-alia produced butter under mechanised process.
1938	Incorporated as Public Limited Company under the Companies Act, VII of 1913
1948	Initial Public Offer of equity shares.
1950	Established a pilot plant in Khagaul in Bihar.
1957	Another dairy was established at Digha Ghat near Patna.
1963	The Company ventured into dealing in Tea also
1965	Certain policy decisions were taken by the Central Government, due to which the dairy sector witnessed sharp changes as under the Government Policy, the dairy business was reserved for the Co-operative Sectors and certain restrictions were gradually imposed on the free operations of the private sector dairy corporations.
1970	The Management and Control of the Company was taken over by the current Promoters of the Company
1972	The Company, in order to diversify its activities, acquired Amba Tannin & Pharmaceutical, which had a running business of manufacturing Chemicals.
1978	The Company suspended its Dairy Operations
1994	Registered office of the Company was shifted from Bombay to Pune
2001	Reorganization of Equity Share Capital, 2,00,000 Equity Shares of Rs. 100 each were sub-divided into 4,00,000 Equity Shares of Rs. 50 each due to capital reduction pursuant to High Court Order.
April 2002	Trading in Equity Shares of the Company was suspended by BSE Limited
January 04, 2012	The Equity Shares of the Company were relisted on the BSE Limited.

Details of the Subsidiary and Holding Company

The Company's Holding Company is M/s AJI Commercial Private Limited..The Company has received consent of the shareholders of the Company inter-alia for sale and transfer of 1010 Equity Shares of Rs. 100 each, 418 0% Un-secured Compulsory Convertible Non-Redeemable Debentures and assign its un-secured loans of Rs. 21,22,12,732/- in its wholly owned subsidiary M/s Dudhwala Builders Private Limited to M/s Oriental Pharmaceutical Industries Limited. The consent of the shareholders was obtained by resolution passed through postal ballot, the results of which were declared on March 18, 2015. Accordingly, M/s Dudhwala Builders Private Limited has ceased to be a subsidiary of the Company.

2. Corporate profile of the Company

Description of activities and Services provided by the Company:

The Company is currently engaged in the manufacture and sale of vegetable tannin materials and leather chemicals to leather industries in India and internationally. The Company offers vegetable tannin extracts, as well as organic and inorganic chemicals. Polson also exports its products internationally.

The major products manufactured by the Company are as follows:

- ➔ Kincitan KMN
- ➔ Synktan VW Tanning Agent
- ➔ Deacitan KMN
- ➔ Corilene EG

Description of the market of each segment

The Company is solely engaged in manufacturing of vegetable tannin materials and leather chemicals. The Company offers vegetable tannin extracts, as well as organic and inorganic chemicals. The products manufactured by the Company are supplied to the Leather Industry in India and Overseas.

Details of the growth of the Company

From the last five years the Company had been generally showing a constantly growth trend. In the year 2009-10, the turnover of the Company (excluding other income) on standalone basis was only Rs. 5869.74 Lacs, which increased to Rs. 10390.54 Lacs in the year 2014-15. In the year 2009-10, there was a profit of Rs. 486.77 Lacs which was showing a growing trend. However owing to the global scenario, the Company reported profits of Rs. 654.77 Lacs in the year 2014-15

Details of the standing of the Company with reference to the prominent competitors with reference to its products, management, major suppliers and customers, environmental issues, segment, i.e. geographical, etc.

The Company is managed by professionals who have thorough and indepth knowledge of the core operations involved and understanding of the manufacturing process. The core strength of the Company lies in the long term relations the Company has with its customers.

3. Injunction or restraining orders: Nil

4. Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets etc. in the last 5 years: Nil

5. Our Company has 2014 shareholders as on the date of filing the Letter of Offer with SEBI.

6. Main Objects of the Company

(a) To acquire and take over as a going concern the business of coffee, butter, cheese, flour and casein merchants heretofore carried on at the head office in Bombay and branches at various other places under the style or firm of Polson Manufacturing Company together with the good-will thereof and all or any of the properties, assets and liabilities of the proprietor of that business in connection therewith, and with a view thereto to enter into and carry into effect (either with or without modifications) an agreement which has already been prepared and is expressed to be made between Pestonji Edulji Dalal (Polson), proprietor of the said Polson Manufacturing Company, of the one part and the Company of the other part, a copy whereof has for the purpose of identification been endorsed with the signature of Mr. Ranchoddas Narandas, a Solicitor of the High Court of Judicature at Bombay.

(b) To carry on in India and elsewhere business as merchants, importers, exporters, roasters, grinders, manufacturers, blenders and dealers in coffee, tea, flour and casein, and other substances and also as dairy merchants in all its branches, and dealers in and producers of milk, cream, butter, cheese, casein and other produce and articles of any kind or description whatsoever.

(b1) To carry on the business as cow keepers, farmers, millers and market gardeners, and as manufactures of all kinds of condensed milk, jam, pickles, cider, and preserved provisions of all kinds.

(b2) To carry on the business of brewers and molsters in all its branches, and to carry on all or any of the businesses of hop merchants and growers, malt factors, corn merchants, wine and spirit merchants and importers, and distillers, coopers, bottlers, bottle makers, bottle stopper makers, potters, manufacturers of and dealers in aerated and mineral water and other drinks, licensed victuallers, hotel keepers, beerhouse keepers, restaurant keepers, lodging-house keepers, ice manufacturers and merchants, tobacconists, farmers, dairymen, yeast dealers, grain sellers and driers, timber merchants, brick makers finings manufacturers and singlass merchants.

(b3) To cultivate tea, coffee, cinchona, rubber and other produce, and to carry on the business of

tea planters in all its branches, to carry on and work the business of cultivators, winners and buyers of every kind of vegetable, mineral or other produce of the soil, to prepare, manufacture and render marketable any such produce, and to sell, dispose of and deal in any such produce, either in its prepared, manufactured or raw state, and either by wholesale or retail.

- (b4) Generally to purchase, take on lease, or otherwise acquire, hold and work any lands producing rubber trees or suitable for the planting, cultivation and growth of rubber trees, and any concessions, rights, powers, and privileges over any such lands and to carry on the business of planters and cultivators of rubber plants, and other plants producing anything of similar character and to carry on business as tea planters, cinchona planters, etc.
- (b5) To establish in the City of Bombay and elsewhere tea shops, and in connection therewith to carry on the business of tea-shop keepers, restaurant keepers and suppliers of provisions both solid and liquid.
- (b6) To establish at Bombay and elsewhere coffee taverns, and to carry on there the business of refreshment-house keepers, upon the principle that no intoxicating liquors shall be sold by the Company, and to provide and work upon the same principle, refreshment stalls, carts, and barrows and to establish libraries, reading rooms and other conveniences and to provide for the recreation and instruction of the Company's consumers and their friends.
- (b7) To carry on the business of refreshment rooms proprietors and refreshment caterers and contractors in all its respective branches, to carry on business as bakers, confectioners, butchers, milk sellers, butter sellers, dairymen grocers, poulterers, greengrocers, farmers and ice merchants, to manufacture, buy, sell, refine, prepare, grow, import, export, and deal in provisions of all kinds, both wholesale and retail, and whether solid or liquid; to establish and provide all kinds of conveniences and attractions for consumers and others, and in particular reading, writing and smoking rooms, lockers and safe deposits, telephones, telegraphs, clubs, stores, shops, lodging and lavatories.
- (b8) To carry on the business of hotel, restaurant, café, tavern, beerhouse, refreshment room, and lodging house keepers, licensed victuallers, wine, beer and spirit merchants, brewers, maltsters, distillers, importers and manufacturers of aerates, mineral and artificial waters and other drinks, purveyors, caterers for public amusements generally, proprietors of motor and other vehicles, garage proprietors, livery-stable keepers jobmasters, farmers, dairymen, ice merchants, importers and brokers of good, live and dead stock, and colonial and foreign produce of all descriptions, hairdressers, perfumers, chemists, proprietors of clubs, baths, drawing rooms, laundries, reading, writing and newspaper rooms, libraries, grounds, and places of amusement, recreation, sport, entertainment, and instruction of all kinds, tobacco and cigar merchants, agents for railway and shipping companies and carriers, theatrical and open box office proprietors, entrepreneurs and general agents, and any other business which can be conveniently carried on in connection therewith.
- (b9) To carry on the business of importers of meat, live cattle and sheep, and also that of dealers in cattle and sheep generally and in all branches of such respective trades or business to buy and sell by wholesale or retail in the Dominion of India or elsewhere, all kinds of meat, and generally to carry on the trade or business of a meat, salesman in all its branches; to acquire by purchase or otherwise estancias, ranches, and sheep farms, and to carry on the trade or business of cattle rearers and sheep farmers, felt mongering, tanning, and warehousing generally, preserved meat manufacturers, dealers in hides fat, tallow, grease, offal and other animal products, to erect and build abattoirs, freezing houses, warehouse, sheds and other buildings necessary or expedient for the purposes of the Company, and to purchase, charter, hire, build, or otherwise acquire, steam and other ships or vessels and to employ the same in the conveyance of passengers, mails and merchandise of all kinds and to carry on the business of shipowners, bargeowners, and lightermen in all its branches.
- (b10) To carry on the business of a storekeeper in all its branches, and in particular to buy, sell, manufacture, and deal in goods, stores, consumable articles, chattels and effects of all kinds, both wholesale and retail, and to transact every kind of agency business and generally to engage in any business or transaction which may seem to the Company directly or indirectly conducive to the interests or conveniences of the Company's members or ticket holders or their friends or any section thereof, and to make arrangements with persons engaged in any trade, business or profession, for the concession to the company's members, ticket holders and their friends, of any special rights, privileges and advantages,

and in particular in regard to the supply of goods.

- (b11) To carry on the business of manufacturers of and dealers in tobacco, cigars, cigarettes, matchlights, pipes and any other articles required by or which may be convenient to smokers, and of snuff grinders and merchants and box merchants and to deal in any other articles and things commonly dealt in by tobacconists.
- (b12) To carry on in the City of Bombay or elsewhere the business of steam and general laundry, and to ash, clean, purify, scour, bleach, wring, dry, iron, colour, dye, disinfect, renovate and prepare for use all articles of wearing apparel, household, domestic and other linen, and cotton, and woollen goods and clothing and fabrics of all kinds, and to buy, sell, hire, manufacture, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials, and articles of all kinds, which are capable of being used for any such purposes and to carry on business as proprietors of swimming and other baths, wash-houses, and mechanical engineers, and to carry on any other business.
- (b13) To carry on the business of chemists, druggists, drysalter, oil and colour men, importers and manufacturers of and dealers in pharmaceutical, medicinal, chemical, industrial and other preparations and articles, compounds, cements, oils, paints, pigments and varnishes, drugs, dyeware, paint and other grinders, makers of and dealers in proprietary articles of all kinds and of electrical, chemical, photographic, surgical, and scientific apparatus and materials, to buy, sell manufacturer, refine, manipulate, import, export, and deal in all substances, apparatus and things capable of being used in any such business as aforesaid or required by any customers of or persons having dealings with the Company either by wholesale or retail.
- (b14) To carry on the business of soap manufacturers, to buy, sell, manufacture, refine, prepare, and deal in all kinds of oils and oleaginous and saponaceous substances and all kinds of unguents and ingredients, to carry on business as pharmaceutical, manufacturing, and general chemists and druggists and manufacturers of all kinds of boxes and cases wholly of card, wood, metal or otherwise, candle makers, manufacturers of perfumes, collectors of flowers and perfume producing vegetation.
- (b15) To manufacture, buy, sell and deal in mineral waters, wines, cordials, liquors, soups, broths, and other restoratives or goods, specially suitable or deemed to be suitable for invalids and convalescents.
- (b16) To carry on business as timber merchants, saw mill proprietors and timber growers, and to buy, sell, grow, prepare for market, manipulate, import, export, and deal in timber and wood of all kinds, and to manufacture and deal in articles of all kinds in the manufacture of which timber or wood is used and to carry on business as shipowners and carriers by land and sea and so far as may be deemed expedient, the business of general merchants, and to buy, clear, plant and work timber estates and to carry on any other businesses which may seem to the Company of being conveniently carried on in connection with any of the above, or calculated directly or indirectly to render profitable or enhance the value of the Company's property or rights for the time being.
- (b17) To buy, sell manufacture, repair, alter and exchange refine, manipulate, let on hire, import, export and deal in all kinds of substances, articles, apparatuses, plant machinery appliances, tools, commodities and things which may be required for the purposes of any of the said business or commonly supplied or dealt in by persons engaged in any such businesses or which may seem capable of being profitably dealt with in connection with any of the said businesses.
- (c) To carry on any other trade or business, whether manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with any of the above business or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (d) To acquire and undertake the whole or any part of the business, property and liabilities of any person, or Company carrying on any business which this Company is authorised to carry on or possessed of property suitable for the purposes of this Company.
- (e) To apply for, purchase, or otherwise acquire and register any patents or patent rights, licences, concessions, secret processes or privileges, trade marks or designs and the like

conferring any exclusive or non-exclusive or limited right to use, or any secret or other information, as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired.

- (f) To enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint adventure, reciprocal concession, or otherwise, with any person, or persons or Company carrying on or engaged in or about to carry on or engage in, any business or transaction which this Company is authorised to carry on or engage in or in any business or transaction capable of being conducted so as directly or indirectly to benefit this Company and to acquire or join in acquiring any such business.
- (g) To take or otherwise acquire, and hold shares in any other Company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this company.
- (h) To enter into any arrangement with any authority, government, railway, municipal, local or otherwise, that may seem conducive to the Company's objects, or any of them and to obtain from any such authority any rights, privileges, and concessions which the Company may think it desirable to obtain and to carry out, exercise, and comply with any such arrangements, rights, privileges and concessions.
- (i) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or ex-employees of the Company or the dependents or connections of such person and to grant pensions, allowances, gratuities or bonuses and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition, or for any public, general or useful object.
- (j) To promote any company or companies for the purpose of acquiring all or any of the property, rights, and liabilities of this company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- (k) To purchase, take on lease, or in exchange, hire or otherwise acquire and to hold and deal with any lands (whether freehold, leasehold or otherwise) with or without buildings, situate in Bombay or anywhere in India or Burma, and any machinery, plant, apparatus, substances, products, articles and things and any trade-marks, trade names, trade- designs, rights or privileges, or other property or rights of any kind or description whatsoever which the Company may think, necessary or convenient for the purposes of its business.
- (l) To build, erect, construct, maintain, and alter on any lands held by the company any factories, godowns, offices, works or other buildings, structures, or erections whatsoever necessary or convenient for the purposes of the Company, and to insure and keep insured the same.
- (m) To extend the business of the Company by adding to, altering, or enlarging, from time to time, all or any of the buildings, works, premises and machinery for the time being the property of the company; and also by erecting new or additional buildings and works on any of the lands for the time being the property of the Company; and also by expending from time to time such sums of money as may, in the opinion of the Directors, be necessary or proper for the purposes of improving, adding to, altering, repairing and maintaining all or any kind of the buildings and works, machinery or other property whatsoever of the company.
- (n) To undertake the payment of the rent and the observance and performance of all covenants, conditions and agreements reserved by and contained in any lease that may be granted or assigned to or be otherwise acquired by the Company.
- (o) To purchase the reversion or reversions or otherwise acquire the freehold or free-simple of any lands held by the Company under lease or for an estate less than a freehold estate.
- (p) To invest and deal with the moneys of the company not immediately required in such manner as may from time to time be determined.
- (q) To lend money to such persons or companies and on such terms as may seem expedient.

- (r) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem or pay off any such securities and to create and give any lien or charge.
- (s) To pay for any business, property or rights acquired or agreed to be acquired by this Company, and generally to satisfy any obligation of this Company, by the issue or transfer of shares of this or any other company credited as fully or partly paid up, or of debentures or other securities of this or any other Company.
- (t) To remunerate or make donations to any person or company for services rendered, or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital, or any debentures, debenture-stock, or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business.
- (u) To draw, make accept, endorse, negotiate, discount, execute and issue promissory notes, bills of exchange, hundies, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (v) To open an account or accounts with any bank or banks and to draw and endorse cheques and to withdraw moneys from such accounts.
- (w) To sell or dispose of or deal with the business, property and undertaking of the company or any part thereof, for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of this Company.
- (x) To sell, improve, manage, develop, exchange, lease mortgage, dispose of turn to account or otherwise deal with, all or any part of the lands and buildings or other property and rights of the Company whatsoever.
- (y) To adopt such means of making known the products of the company as may seem expedite and in particular by advertising, by circulars, catalogues, show-cards, posters and free samples, and exhibiting and granting rewards, presents, prizes and donations.
- (z) To appoint brokers, canvassers, agents and other persons and to establish and maintain any agencies and branches in any parts of India and Burma or elsewhere for the sale of any materials or things for the time being at the disposal of the company for sale or other purposes and to discharge and discontinue the same.
- (Z1) To carry on the business of manufacturers, sellers, dealers and suppliers of articles of good and foodstuff of all kinds including breakfast foods, processed foods, canned foods, canned fruits, food products, vegetable products, jams, preserves, protein foods, baby foods, vitaminised foods, biscuits, corn flakes, rice flakes, wheat flakes, oats, porridges and agricultural products such as pulses, cereals and oil seeds, dehydrated fruits, vegetables, eggs and meat and soup extracts or powders or combinations of vegetables and meat extracts or powders and to utilize and deal with every kind of by-products resulting from the manufacture of any of the above products.
- (Z2) To carry on business of manufacturers, sellers, dealers and suppliers in pastry, bread, cakes, pies, biscuits, candies, sweets, toffees, confectioneries, milk power, ice-cream, ice-lollies, milk products of all kinds, mawa, baking powder and all substances and ingredients used in making of the above articles and to utilize and deal with every kind of by products resulting from the manufacture of any of the above products.
- (Z3) To carry on business of manufacturers, sellers, dealers and suppliers of all kinds of beverages, drinks, including squashes, syrups, juices and various kinds of similar beverages and drinks.
- (Z4) To carry on business in agriculture and horticulture of agricultural and horticultural farms, of breeding, growing, raising, buying, selling, importing and exporting of live stock and cattle of all kinds and for that purpose to purchase or take on lease any farm, farming plant and

machinery, farming implements and all other implements and all other articles and things necessary or required for the purpose of carrying on the business and to enter into management or financial agreement with approved parties.

- (Z5) To employ experts to investigate and examine into the condition, prospects, value character and circumstances of the business of the Company and of other business concerns and undertakings and generally of any assets, properties or rights.
- (Z6) To carry on the business of Agents and Distributors in all articles of food and foodstuffs and food products and beverages and drinks.
- (a1) To amalgamate with any other company having objects altogether or in part similar to those of this Company.
- (a2) To distribute any of the property of the Company amongst the members in specie.
- (a3) To do all or any of the above things as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.
- (a4) To own absolutely or in partnership, to lease, control and/or otherwise govern and run for business a factory for extracting Tannin from Myrabolam or other possible materials, for extracts from other herbs, for manufacture of medicines, and for putting the factory to such other use as may from time to time be thought or considered profitable to do so.
- (a5) To carry on the business of dealing in, owning, purchasing and selling Myrabolam in any form.
- (a6) To manufacture and deal in hydrogenated oils, vegetable ghee and butter substitutes, glycerine, lubricating oils, greases, boiled oils, varnishes and margarine and all other kinds of oils and oil preparation and primarily to carry on the business of manufactures and dealers in all kinds of oils, oilseeds and oil products and the cultivation of oil seeds and the business of buyers, sellers and dealers of oilseeds and oil products.
- (a7) To carry on the business of manufacturers of and dealers in manures, fertilizers, phosphates, guanos of all descriptions, horns, hoofs, bones, blood and all other animal products, or by products, grease, fat, tallow, chemicals, oils, oilcakes, grain, seeds, beans, potash, salts and acids of all descriptions, ammonia compounds, liquid ammonia, acetone, acetate of lime, ascorbic acid, salts and general merchandise and to refine, manipulate and deal in the raw materials used in such manufactures and the products and by-products thereof.
- (a8) To carry on the business of manufacturers, Importers and exporters of and dealers in all types of readymade garments of cotton, nylon, terylene, silk, art silk, rayon wool, linen and all other textiles and fabrics as also of all leather cloth, wadding, down feather and feather goods and textiles generally, bed-sheets, pillow cases, towels, napkins, carpets, matting, tapestry, needle works, tinsel and tinsel fabrics and threads, rubber goods, lasts, boot trees, buckles, leggings, gaiters, heels, laces, zip fasteners, buttons, hook and bars, collars and other garments, stays, shoulder pads, linings, inter-lings, eyelets, trimmings, webbings, elastics, protectors and other articles of a kindred nature and all article of wearing attitude of personal or household use or ornament.
- (a9) To carry on the business of drapers and furnishing and general warehousing in all its branches.
- (a10) To carry on all or any of the business of silk mercers, silk weavers, cotton spinners, cloth manufactures, furriers, haberdashers, hosiers, manufactures, importers and wholesale and retail dealers of and in textile fabrics of all kinds, milliners, fashion artists, dress agents, dress makers, tailors, batters, clothiers, outfitters, glovers, rug and mat manufacturers, feather and down purifiers, manufacturers and dressers, embroiders, hemstitchers, platters, knitters, consumers, pellet makers, stencillors, painters, dyers, cleaners and renovators, manufactures and importers and whole sale and retail dealers of and in leather goods, household furniture, ironmongery, turnery and other household fittings and utensils, ornaments, stationery and fancy goods, dealers in provision, drugs, chemicals and other articles, and commodities or personal and household use and consumption and generally of

and in all manufactured goods, materials, provisions and produce.

- (a11) To carry on the business of and dealers in plastics and plastic products of every description.
- (a12) To carry on the business of manufacturing, selling, supplying and dealing in bottles, bottle stoppers and glass, tin plastic, paper, cardboard and other containers and packaging materials of every kind in other goods, stores, consumable article and effects.
- (a13) To construct, maintain and after any building or works necessary, convenient or beneficial for the purpose of the company, and to lay out land for building purpose and to build on, improve, let buildings on leases and construct and give buildings, flats, tenements on ownership basis, advance money to persons building on and otherwise develop the same in such manner as may seem expedient to the Directors for the advancement of the Company's interest.
- (a14) To undertake the payment of all rent and the performance of all covenants, conditions and agreements contained in and reserved by any lease that may be granted or assigned to or be otherwise acquired by the company and to purchase the reversion or reversions or otherwise acquire the freehold or free simple of all or any part of the leasehold lands and buildings for the time being the property or in the possession of the company.
- (a15) To carry on the business of Badla transaction in whatever name or form as permitted by laws in force from time to time.
- (a16) Generally to do all such other things as are incidental or conducive to the attainment of the above objects. And it is hereby declared that the word "Company" to this clause shall be deemed to include any partnership or other body or persons, whether incorporated or no incorporated and whether domiciled in India or elsewhere and the intention is that the objects specified in each paragraph of this clause except where otherwise expressed in such paragraph shall be separate and independent objects of the company and shall be in nowise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company.

Changes in Memorandum of Association of the Company

S. No.	Date of Shareholder's Approval	Nature of Alteration
1.	\$	Clause 3 of Memorandum of Association with respect to objects amended by adding sub-clause (b1) to (b17) after sub-clause (b) of clause 3 as confirmed by order of the High Court of Judicator of Bombay bearing date July 02, 1948.
2.	\$	Clause 5 of the Memorandum of Association with respect to capital of the Company substituted on account of increase in Authorised Capital of the Company from Rs. 1,000,000 divided into 2000 Shares of Rs. 500 each to Rs. 10,000,000 divided into 50,000 Equity Shares of Rs. 100 each and 50,000 Preference Shares of Rs. 100 each
3.	October 14, 1968	Clause 3 of Memorandum of Association amended by adding sub-clause (z1), (z2), (z3), (z4), (z5) and (z6) after sub-clause (z) of clause 3 as confirmed by order of the High Court of Judicator of Bombay bearing date November 16, 1998.
4.	March 30, 1994	Clause 5 of the Memorandum of Association with respect to capital of the Company substituted on account of increase in Authorised Capital of the Company from Rs. 10,000,000 divided into 50,000 Equity Shares of Rs. 100 each and 50,000 Preference Shares of Rs. 100 each to Rs. 25,000,000 divided into 200,000 Equity Shares of Rs. 100 each and 50,000 Preference Shares of Rs. 100 each
5.	June 12, 1973	Clause 3 of Memorandum of Association with respect to objects amended by adding sub-clause (a4) to (a15) and renumbering the existing sub-clause (a4) of the said clause 3 as sub-clause (a16) thereof of the said clause 3 as confirmed by order of the High Court of Judicator of Bombay bearing date December 21, 1973.
6.	April 01, 2001	Clause 5 of the Memorandum of Association with respect to capital of the Company substituted on account of reorganization of Capital of the

		Company from Rs. 25,000,000 divided into 200,000 Equity Shares of Rs. 100 each and 50,000 Preference Shares of Rs. 100 each to Rs. 25,000,000 divided into 400,000 Equity Shares of Rs. 50 each and 50,000 Preference Shares of Rs. 100 each
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\$ The dates of Shareholder's approval with respect to amendments in the Memorandum of Association are not available.

The details pertaining to the changes in the Memorandum of Association have been extracted from the present Memorandum and Articles of Association of the Company.

Changes in Articles of Association of the Company

S. No.	Date of Shareholder's Approval	Nature of Alteration
1.	May 29, 1964	Already existing Article Nos. 51 and 56 substituted by new Article Nos. 51 and 56.
2.	April 30, 1965	Article 4 of the Articles of Association amended by adding explanation at the end of clause (1) of Article 4 and already existing Article 70 substituted by new Article 70.
3.	March 11, 1966	Article 131 of the Articles of Association amended
4.	June 23, 1967	Article 10 of the Articles of Association amended and Clause (m) of Article 135 and Article 149 of the Articles of Association deleted
5.	July 31, 2013	Old set of Articles of Association of the Company replaced by new set of Articles of Association
6.	September 30, 2015	Old set of Articles of Association of the Company replaced by new set of Articles of Association

SHAREHOLDERS AGREEMENT

There are no shareholder agreements as on date of Filing of the Letter of Offer with SEBI.

Other Agreements

Except the Contracts / Agreements entered into in the ordinary course of the business carried on or intended to be carried on by the Company, the Company has not entered into any other Agreement / Contract.

Strategic Partners

There are no strategic partners of the Company.

Financial Partners

There are no financial partners of the Company.

OUR MANAGEMENT

BOARD OF DIRECTORS

Polson Limited is a professionally managed organization. The Company functions under the control of a Board of Directors. The day to day matters are looked after by qualified key personnel, under the supervision of Managing Director.

Name, Fathers' name Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Date of expiration of current term of office	Details of directorships in other companies
Mrs. Sushila Jagdish Kapadia (D/o: Late Sh. Dattarya Narhai Rege) Designation: Chairperson Status: Promoter Director Experience: 56 years Occupation: Social Worker Address: 109 Mount Unique, 14 th Floor, Peddar Road, Mumbai - 400026, Maharashtra	82 years	Graduate in Arts	02105539	Liabile to retire by rotation	1. New Commercial Investment and Trading Co Limited 2. Oriental Pharmaceutical Industries Limited 3. AJI Commercial Private Limited 4. The New Commercial Mills Company Limited 5. AJI Investment Private Limited 6. AJK Investments Private Limited 7. Europa Chemicals Private Limited 8. Coriander Homes LLP 9. RUK Chemicals Private Limited 10. Dudhwala Builders Private Limited 11. Europa Chemicals Asia Private Limited
Mr. Amol Jagdish Kapadia (S/o: Mr. Jagdish Jagmohandas Kapadia) Designation: Managing Director Status: Promoter Director Experience: 27 years Occupation: Businessman Address: 109 Mount Unique, 14 th Floor,	48 years	M.B.A. from IMD, Lausanne, Switzerland and Graduate in Commerce from Sydenham College of Commerce & Economics	01462032	March 31, 2017	1. New Commercial Investment and Trading Co Limited 2. AJI Commercial Private Limited 3. Oriental Pharmaceutical Industries Limited 4. The New Commercial Mills Company Limited 5. AJK Investments Private Limited

Name, Fathers' name Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Date of expiration of current term of office	Details of directorships in other companies
Peddar Road, Mumbai - 400026, Maharashtra					6. Europa Chemicals Private Limited 7. BK Giulini Specialities Private Limited 8. Coriander Homes LLP 9. RUK Chemicals Private Limited 10. AJI Investment Private Limited 11. Polson Butter Private Limited 12. Dudhwala Builders Private Limited 13. Europa Chemicals Asia Private Limited 14. Awas Meadows Coriander Farms Private Limited
Mr. Lambore Dhau Gangaram (S/o: Sh. Gangaram Sagu Lambore) Designation: Director Status: Executive and Non-Independent Director Experience: 38 years Occupation: Service Address: A/P Amba, Tal Shahuwadi, Kolhapur - 415101, Maharashtra	63 years	Undergraduate	02274626	Liable to retire by rotation	1. Polson Butter Private Limited 2. Oriental Pharmaceutical Industries Limited 3. The New Commercial Mills Company Limited 4. New Commercial Investment and Trading Co Limited
Mr. Pravin Dayanand Samant (S/o: Sh. Dayanand Moreshwar Samant) Designation: Director Status: Executive and Non-Independent Director Experience: 39 years Occupation: Service	60 Years	B. Sc (Hons.)	02307106	Liable to retire by rotation	Nil

Name, Fathers' name Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Date of expiration of current term of office	Details of directorships in other companies
Address: A/4, Chandan Apts., Nooribaba Road, Makhmali Talao, Panchpakhadi, Thane-W, Thane - 400601, Maharashtra					
Mr. Pradip Narayan Pai (S/o: Sh. Narayan Nileshwar Pai) Designation: Director Status: Non-Executive and Independent Director Experience: 28 years Occupation: Business Address: 2/9, Clover Apt., 29 Cuffe Parade, Mumbai - 400005, Maharashtra	53 Years	Bachelor of Commerce from Sydenham College of Commerce, Mumbai	00107704	Liable to retire by rotation	1. Dove Investments Private Limited 2. Century Agrotech Limited
Mr. Haren Madhav Sampat Designation: Director Status: Non-Executive and Independent Director Experience: 20 years Occupation: Business	57Years	Bachelor of Commerce from H R College of Commerce & Economics.	02556422	Liable to retire by rotation	1. Scorpio Equine Private Limited
Mr. Sudhir Hariprasad Nevatia (S/o: Sh. Hariprasad Nandkishore Nevatia) Designation: Director Status: Non-Executive and Independent Director Experience: 13 years Occupation: Business Address: 78, Mount Unique, 10th Floor 62, Peddar Road, Mumbai - 400026, Maharashtra	52 Years	Bachelor of Commerce and Associate Member of Institute of Chartered Accountants of India	00001258	Liable to retire by rotation	1. Morarka Finance Limited

Details of current and past directorship(s) of the above Directors in listed companies whose shares have been / were suspended from being traded on the BSE Ltd. /National Stock Exchange of India Ltd.

Nil

Details of current and past directorship(s) of the above Directors in listed companies which have been/ were delisted from the stock exchange(s)

Nil

Brief details of the Chairperson, Managing Director etc.

MRS. SUSHILA JAGDISH KAPADIA

Mrs. Sushila Jagdish Kapadia, aged 82 years is a graduate 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.

MR. AMOL JAGDISH KAPADIA:-

Mr. Amol Jagdish Kapadia, aged 48 years is the Managing Director of the Company. He has completed his Masters in Business Administration from IMD, Lausanne, Switzerland and is a Graduate in Commerce from Sydenham College of Commerce & Economics. He has been associated as a Director of the Company since 1987.

Nature of any family relationship between any of the Directors:

Mr. Amol Jagdish Kapadia is son of Mrs. Sushila Jagdish Kapadia.

Details of arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the Directors was selected as a director or member of senior management.

Nil

THERE ARE NO SERVICE CONTRACTS ENTERED INTO BY THE DIRECTORS WITH THE COMPANY PROVIDING FOR BENEFITS UPON TERMINATION OF EMPLOYMENT.

Details of Borrowing Powers

In terms of the Articles of Association, the Board may, from time to time, at its discretion raise or borrow any sum or sums of money for the purposes of the Company and subject to the provisions of the Companies Act may secure payment or repayment of the same in such manner and terms as prescribed by the Board of Directors, in particular by issue of bonds, debentures or debenture-stock of the Company either secured or unsecured by a mortgage or charge over all or any of the property of the Company including its uncalled capital for the time being, and debenture-stock bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Vide a resolution passed at the Annual General Meeting of the Company held on March 18, 2015, consent of the members of the Company was accorded to the Board of Directors of the Company pursuant to Section 180 (1)(C) of the Companies Act, 2013 for borrowing from time to time any sums of money which together with money already borrowed by the company shall not exceed in the aggregate at any time Rs. 150 Crores irrespective of the fact that such aggregate amount of borrowing outstanding at any one time may exceed the aggregate for the time being of paid up share capital of the company and its free reserves.

Compensation of Managing Director

The remuneration of the following executive Directors is as per the terms of appointment contained below:

Mr. Amol Jagdish Kapadia

The remuneration payable to Mr. Amol Jagdish Kapadia under the terms of the Resolution passed at the meeting of the members of the Company dated September 30, 2015 with effect from April 01, 2014 upto March 31, 2017 i.e. upto expiration of current term of office as Managing Director, is detailed herein below:

Basic Salary	Rs. 700,000 per month
Personal Allowance	Rs. 50,000 per month
Medical	Reimbursement of medical expenses for self and family subject to maximum of one month basic salary for a year.
Leave Travel Allowance	As per the provisions of Income Tax Act, 1961
Club	Club fees subject to the maximum of two clubs. This will include annual membership fees but not admission fees and life membership fees.
Insurance	As per the policy of the Company
Leave	Full pay leave for 30 days per annum
Provident Fund	Contribution to Provident Fund/Annuity Allowance as per policy of the Company
Gratuity	In accordance with the policy of the Company
Telephone	Actual basis subject to maximum of Rs. 5,000.
Car	Petrol expenses and Driver's Salary subject to maximum of Rs. 15,000 per month
Commission	1% of the net profits of the Company in accordance with the provisions of section 198,349 and 350 of the Companies Act, 1956
Increment	Gross remuneration to be paid be increased, augmented and/or enhanced subject to the aforesaid provisions and applicable approvals upto 20% per annum, effective from April 01 each year, and first such increase shall be granted w.e.f. April 01, 2015.
Amount of compensation paid during the last financial year	Rs. 90,00,000/-
Benefits in kind granted on an individual basis during the last financial year	Nil

No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

Note: The appointment and remuneration payable to Mr. Amol Jagdish Kapadia is subject to approval of the Members of the Company in their ensuing Annual General Meeting.

Shareholding of the Directors

S. No.	Name	No. of Shares Held
1.	Mr. Amol Jagdish Kapadia	12,000
2.	Mrs. Sushila Jagdish Kapadia	16,002 [^]
3.	Mr. Lambore Dhau Gangaram	Nil
4.	Mr. Pravin Dayanand Samant	Nil
5.	Mr. Pradip N. Pai	Nil
6.	Haren Madhav Sampat	Nil
7.	Mr. Sudhir H. Nevatia	Nil

[^] Inclusive of 3,167 Equity Shares belonging to Late Shri Jagdish Jagmohandas Kapadia which are under transmission to Mrs. Sushila Jagdish Kapadia.

Qualification Shares required to be held by Directors

Directors are not required to hold any qualification shares.

Interest of directors

All the Directors may be deemed to be interested to the extent of fees payable to them, if any, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them, if any, under the Articles of Association, and to the extent of remuneration paid to them, if any for services rendered as an officer or employee of the Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or by the

companies/firms/ventures promoted by them or that may be subscribed by or allotted to the companies, firms, trusts, in which they are interested as Directors, members, partners, trustees and Promoter, pursuant to this Issue. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

The Directors have no interest in any property acquired by the Company within two years of the date of this Letter of Offer.

Except as stated in the section titled "Related Party Transactions" on page 120 of this Letter of Offer, the Directors do not have any other interest in the business of the Company.

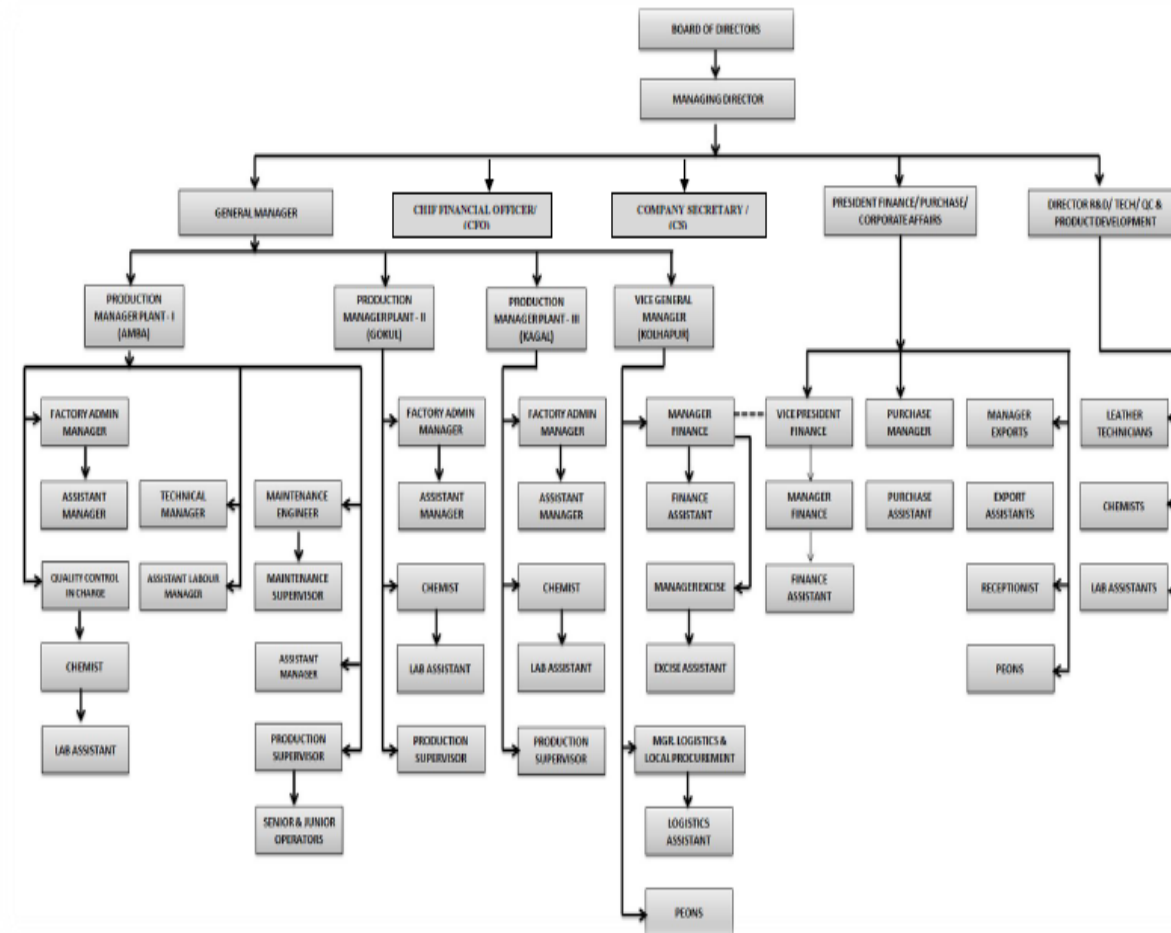
The Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Letter of Offer in which the directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them other than contracts in the normal course of business and being permitted as per the current rules and regulations governing the same.

Changes in the Board of Directors in the last 3 years

The following are the changes in the Board of Directors in the last 3 years. To maintain brevity and to avoid any confusion, this table does not enumerate the instances where the Status or Designation of the Director has been changed or when the appointment of an Additional Director has been regularized.

S. No	Name, Address & DIN	Date of Appointment	Date of Cessation	Reason
1.	Mr. Pradip Narayan Pai 2/9, Clover Apt., 29 Cuffe Parade, Mumbai – 400005, Maharashtra DIN : 00107704	June 21, 2013	-	Appointment as Additional Director
2.	Mr. Nakul Bharat Patel 81, Devi Bhavan, 38, Napean Sea Road, Mumbai – 400036, Maharashtra DIN : 00332824	June 21, 2013	May 25, 2015	Appointment as Additional Director
3.	Mr. Sudhir Hariprasad Nevatia 78, Mount Unique, 10th Floor 62, Peddar Road, Mumbai – 400026, Maharashtra DIN : 00001258	June 21, 2013	-	Appointment as Additional Director
4.	Mr. Jagdish Jagmohandas Kapadia 109 Mount Unique, 14 th Floor, Peddar Road, Mumbai - 400026, Maharashtra DIN: 00245216	-	February 13, 2014	Deceased
5.	Mr. Haren Madhav Sampat Sudha Kunj 9/11, Tardeo Circle, Tulsiwadi, Mumbai-400034 DIN: 02556422	August 14, 2015	-	Appointment as Additional Director

Management Organization Structure



CORPORATE GOVERNANCE

The constitution of the Board is not in compliance with the provisions contained in the listing agreement of the BSE.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. The executive management of the Company provides the Board detailed reports on its performance periodically.

Currently, the Board of Directors has Seven (7) Directors and the Chairperson of the Board of Directors is a Non-Executive Promoter Director. The Board of Directors consists of two Promoter Directors, two Non Executive Non Independent Directors and three Independent Directors. As per the requirements set forth under clause 49 of the Listing Agreement, if the Chairman is a Promoter of the Company or is related to any Promoter or person occupying management positions at the Board level or at one level below the Board, at least one-half of the Board of the Company shall consist of independent directors. In the present case, the Chairperson of the Board of Directors is also one of the Promoters of the Company and hence, atleast half of the Board of Directors of the Company should consist of Independent Directors. However, as on the date of filing this Letter of Offer, the Company only has three Independent Directors on its Board, and as such the Company is not in compliance with the requirements set forth under clause 49 of the listing agreement.

Composition of Board of Directors

Currently, the Board of Directors has Seven (7) Directors and the Chairperson of the Board of Directors is a Non-Executive Director.

S.NO	NAME OF DIRECTOR	DESIGNATION	STATUS
1.	Mrs. Sushila Jagdish Kapadia	Chairperson	Promoter; Non Executive & Non Independent Director
2.	Mr. Amol Jagdish Kapadia	Executive Director	Promoter; Executive & Non Independent Director
3.	Mr. Lambore Dhau Gangaram	Director	Non Independent Director
4.	Mr. Pravin Dayanand Samant	Director	Non Independent Director
5.	Mr. Pradip N. Pai	Director	Independent Director
6.	Mr. Haren M. Sampat	Director	Independent Director
7.	Mr. Sudhir H. Nevatia	Director	Independent Director

Committees of the Board

I. Audit Committee

The Audit committee was constituted on June 21, 2013. The present members of the Audit Committee are:

Sr. No	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Sudhir Nevatia	Chairman	Independent Director
2.	Mr. Pradip Pai	Member	Independent Director
3.	Mr. Haren Madhav Sampat	Member	Independent Director
4.	Mr. Amol Kapadia	Member	Promoter Director

Subject to the review by the Board from time to time, the 'Audit Committee' shall have the following terms of reference: -

1. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that financial information is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 9. Discussion with internal auditors any significant findings and follow up there on.
 10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 14. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

POWERS

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

FUNCTIONS

1. Audit Committee shall review the half-yearly and annual financial statements and submit the same to the Board with its recommendations, if any;
2. Audit Committee shall conduct discussions with the auditors periodically about internal control systems, the scope of audit and the observations of the auditors;
3. Audit Committee shall invite the auditors, Chief Financial officer and such other executives as it considers necessary to be present at its meetings and participate in their discussions without any right to vote;
4. Chairman of the Audit Committee shall attend AGM of the Company to provide any clarification on matters relating to audit to the shareholders; and
5. The recommendations of the 'Audit Committee' on any matter relating to financial management shall be binding on the Board.

Meetings of the audit committee in the last one year:

The Audit Committee met 4 (four) times in last one year.

II. Remuneration Committee

The Remuneration Committee was constituted by a meeting of the Board of Directors held on June 21, 2013. The members of the Remuneration Committee are:

Sr. No	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Pradip Pai	Chairman	Independent Director
2.	Mr. Sudhir Nevatia	Member	Independent Director
3.	Mr. Haren Madhav Sampat	Member	Independent Director

The terms of reference of the Remuneration Committee are as follows:

1. Determination of our Company's remuneration policy, having regard to performance standards and existing industry practice. Under the existing policies of our Company, the Remuneration Committee, inter alia, determines the remuneration payable to our Directors;
2. Framing policies and compensation including salaries and salary adjustments, incentives, bonuses, promotion, benefits, stock options and performance targets of the top executives; and;
3. Formulating strategies for attracting and retaining employees, employee development programmes.

Meetings of the remuneration committee in the last one year:

The Remuneration Committee met 1 (one) time during last one year.

III. Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee was constituted on June 21, 2013.

The members of the Shareholders'/Investors' Grievance Committee are:

Sr. No	Name of the Director	Designation in Committee	Nature of Directorship
1.	Amol Kapadia	Chairman	Promoter Director
2.	Mr. Pradip Pai	Member	Independent Director
3.	Mr. Haren Madhav Sampat	Member	Independent Director

The role of the above committee shall include the following:

1. It shall have the authority to investigate into any matter in relation to transfer/transmission of securities or referred to it by the Board and for this purpose, shall have full access to information contained in the records of our Company and external professional advice, if necessary.
2. To approve the requests pertaining to Rematerialization of shares, requests received for issuance of renewed and duplicate share certificates, subdivision, consolidation.
3. To investigate any activity within its terms of reference.
4. To seek information from share transfer agents.
5. To approve issue of duplicate share certificates and to oversee and review all matters connected with the transfer, transmission and issue of securities.
6. To approve share transfer / transmission of securities periodically, whether by circular resolution or otherwise.
7. To look into redressing of shareholders' complaint like transfer of shares, non-receipt of balance sheet, non receipt of declared dividends, etc.
8. To oversee the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investors services.

Meetings of the Shareholders'/Investors' Grievance Committee in the last one year:

The Shareholders'/Investors' Grievance Committee met 4 (four) times in last one year.

Compliance with Listing Agreement

The Company in terms of this Letter of Offer intends to list its shares offered under proposed rights issue on BSE and intends to comply with the requirements under the Listing Agreement of the above-mentioned stock exchange.

Key Management Personnel

In addition to Mr. Amol Jagdish Kapadia, Managing Director provided below is the key managerial employees of the Company.

Name, Designation, Qualification	Date of Joining	Age (Years)	Term of office with date of expiration of term	Details of service contracts including termination /retirement benefits	Experience (years)	Previous Employment
Amita Karia Company Secretary & Compliance Officer FCA, FCS and LLB	March 23, 2016	28 years	Not Applicable	Company shall pay superannuation pension, PF, Gratuity as per its policies	8 years	Bhadresh Trading Corporation Limited
Mr. Sanjay Shantaram Bhalerao, Vice President M.Sc. (Mathematics) and Certified Associate of Indian Institute of Bankers	February 13, 2016	56 Years	Not Applicable	Company shall pay superannuation pension, PF, Gratuity as per its policies	25 Years	Independent Consultant
Ms. Sampada Sawant Manager Legal and Company Secretarial Affairs Graduate in Commerce and pursuing CS from the Institute of Company Secretaries of India	October 01, 2013	31 Years	Not Applicable	Company shall pay superannuation pension, PF, Gratuity as per its policies	2.5 Years	Perfect Octave Media Projects Limited

Ms. AMITA KARIA Ms. Amita Karia, aged 28 years is the Company Secretary & Compliance Officer of the Company. She is a fellow member of the Institute of Company Secretaries of India. She also possesses degree in Law. She has a vast experience of 8 years in corporate, secretarial, legal and financial matters. She is associated with the Company since March 23, 2016.

MR. SANJAY SHANTARAM BHALERAO

Mr. Sanjay Shantaram Bhalerao, aged about 56 years, holds the position of Vice President in the Company. He is a Masters in Science with specialization in Mathematics. He is also Certified Associate of Indian Institute of Bankers. Mr. Bhalerao possesses over 25 years of experience in the field of Banking, Finance and Accounts. He has worked for almost 2 decades with at a senior position Central Bank, post taking voluntary retirement from the said Bank, he joined Rupee Bank as Assistant General Manager and was in charge of Credit Department. He has worked as General Manager of Nashik Merchant Bank and was Chief Executive Officer of Chalisgaon Peoples Co-op Bank Ltd. He has been associated as Vice President of the Company since February 13, 2016. Prior to joining the Company, he worked as an Independent Consultant.

MS. SAMPADA SAWANT:-

Ms. Sampada Sawant, aged 31 years is the Manager Legal and Company Secretarial Affairs of the Company. She is graduate in Commerce and is currently pursuing her CS from the Institute of Company Secretaries of India. She possessed 2.5 years of experience in corporate, secretarial, legal and financial matters. She has been associated as Manager Legal and Secretarial of the Company since October 2013. Prior to joining the Company, she worked with Perfect Octave Media Projects Limited.

Nature of any family relationship between any of the Key Managerial Personnel:

None of the Key Managerial Personnel are related to each other.

Details of any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the key managerial personnel, was selected as a director or

member of senior management

Nil

No compensation was paid to the Key Managerial Personnel in the last financial year pursuant to a bonus or profit-sharing plan

All the Key Managerial Personnel as stated above are Permanent employees of the Company.

Shareholding of Key Managerial Personnel

None of the Key Managerial Personnel have any shareholding in the Company except as mentioned in the shareholding of the Directors on page 74 of this Letter of Offer.

Bonus or profit sharing plan of the Key Management Personnel

The Company does not have any bonus or profit sharing plan of the Key Management Personnel.

Interests of Key Management Personnel

The key management personnel of the Company do not have any interest in the Company other than to the extent of the remuneration, employee stock options held, if any, Equity Shares allotted under employee stock purchase scheme or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. None of the key management personnel have been paid any consideration of any nature from the Company, other than their remuneration.

Changes in the Key Management Personnel

The changes in the key management personnel in the last three years are as follows:

S. No.	Name	Date of		Reason
		Joining	Leaving	
1.	Mr. Noel Jacob Company Secretary	April 01, 2013	January 15, 2016	Resignation
2.	Ms. Sampada Sawant Manager -Legal and Company Secretarial Affairs	October 01, 2013	-	Appointed as Manager Legal and Secretarial
3.	Mr. Sanjay Shantaram Bhalerao Vice President	February 13, 2016	-	Appointed as CFO
4.	Ms. Amita Karia Company Secretary & Compliance Officer	March 23, 2016	-	Appointed as Company Secretary & Compliance Officer

Employees**Employee Stock Option Scheme and Employee Stock Purchase Scheme**

The Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme.

Other Benefits to the Officers of the Issuer Company

Except the payment of salaries and perquisites, no amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any employee and there is no consideration for payment of giving of the benefit.

PROMOTERS

Promoters

The following are the Promoters of the Company:

1. Mrs. Sushila Jagdish Kapadia;
2. Mr. Amol Jagdish Kapadia;
3. AJI Commercial Private Limited;
4. Oriental Pharmaceutical Industries Limited; and
5. The New Commercial Mills Company Limited.

The HUF that is a part of the Promoter Group is the following:

Nil.

The companies that are part of the Promoter Group are as follows:

Name	Shareholding in Polson
AJI Investment Private Limited	Nil
AJK Investments Private Limited	Nil
Coriander Homes LLP	Nil
Europa Chemicals Private Limited	Nil
New Commercial Investment And Trading Co Limited	Nil
RUK Chemicals Private Limited	Nil
Polson Butter Private Limited	Nil
Europa Chemicals Asia Private Limited	Nil

The details of the Promoters are as follows:

INDIVIDUALS

Mrs. Sushila Jagdish Kapadia



Age	82 years
Personal Address	109 Mount Unique 14th Floor, Peddar Road, Mumbai-400026
Designation	Director
Educational qualifications and professional Experience	See the section "Our Management" beginning on page 70 of this Letter of Offer
Directorship held	See the section "Our Management" beginning on page 70 of this Letter of Offer
Other ventures	AJI Commercial Private Limited, Oriental Pharmaceutical Industries Limited, The New Commercial Mills Company Limited, AJI Investment Private Limited, AJK Investments Private Limited, Coriander Homes LLP, Europa Chemicals Asia Private Limited, Awas Meadows Coriander Farms Private Limited, Europa Chemicals Private Limited, New Commercial Investment And Trading Co Limited, RUK Chemicals Private Limited
Business	Social Worker

Voter ID No.	MT/04/0241 258190
Driving License Number	Not Available
Permanent Account Number	AAHPK5556G
Passport Number	F9626225
Bank Account No.	001010110001951, Bank of India, Churchgate
DIN	02105539

Profile: Mrs. Sushila Jagdish Kapadia, aged 82 years is a graduate 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.

Mrs. Sushila Jagdish Kapadia owns 16,002[^] Equity Shares, representing 13.34% of the pre-Issue share capital and 11.86% of the post-Issue share capital of the Company.

[^] Inclusive of 3,167 Equity Shares belonging to Late Shri Jagdish Jagmohandas Kapadia which are under transmission to Mrs. Sushila Jagdish Kapadia.

There are no defaults in meeting any statutory/bank/institutional dues and no proceedings have been initiated for economic offences. There are no litigations, disputes towards tax liabilities or criminal / civil prosecution / complaint against Sushila Jagdish Kapadia other than as mentioned in this Letter of Offer.

Declaration: It is confirmed that Permanent Account Number, Bank Account details and Passport Number of Sushila Jagdish Kapadia is being submitted to the Stock Exchanges on which Shares are proposed to be listed, at the time of filing of Letter of Offer with them.

Mr. Amol Jagdish Kapadia



Age	48 Years
Personal Address	109 Mount Unique 14th Floor, Peddar Road, Mumbai-400026
Designation	Managing Director
Educational qualifications and professional Experience	See the section "Our Management" beginning on page 70 of this Letter of Offer
Directorship held	See the section "Our Management" beginning on page 70 of this Letter of Offer
Other ventures	AJI Commercial Private Limited, Oriental Pharmaceutical Industries Limited, The New Commercial Mills Company Limited, AJK Investments Private Limited, Coriander Homes LLP, Europa Chemicals Private Limited, RUK Chemicals Private Limited, Polson Butter Private Limited, Europa Chemicals Asia Private Limited, Awass Meadows Coriander Farms Private Limited
Business	Businessman
Voter ID No.	He does not have Voter ID card
Driving License Number	MH01 19840003997
Permanent Account Number	AAUPK9883B
Passport Number	L3061546
Bank Account No.	23110259194, Standard Chartered Bank, Fort, Mumbai

DIN	01462032
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Profile: Mr. Amol Jagdish Kapadia, aged 48 years is the Managing Director of the Company. He has completed his Masters in Business Administration from IMD, Lausanne, Switzerland and is a Graduate in Commerce from Sydenham College of Commerce & Economics. He has been associated as a Director of the Company since 1987.

Mr. Amol Jagdish Kapadia owns 12,000 Equity Shares, representing 10.00 % of the pre-Issue share capital and 8.89% of the post-Issue share capital of the Company.

There are no defaults in meeting any statutory/bank/institutional dues and no proceedings have been initiated for economic offences. There are no litigations, disputes towards tax liabilities or criminal / civil prosecution / complaint against Mr. Amol Jagdish Kapadia other than as mentioned in this Letter of Offer.

Declaration: It is confirmed that Permanent Account Number, Bank Account details and Passport Number of Amol Jagdish Kapadia is being submitted to the Stock Exchanges on which Shares are proposed to be listed, at the time of filing of Letter of Offer with them.

BODIES CORPORATE

1. AJI Commercial Private Limited:

AJI Commercial Private Limited was incorporated as Private Limited Company on the April 24, 1992, under the name and style of AJI Commercial Private Limited, vide Certificate of Incorporation no. 11-66518 issued by the Registrar of Companies, Maharashtra.

Promoters of AJI Commercial Private Limited

1. Mr. Amol Jagdish Kapadia
2. Mrs. Sushila Jagdish Kapadia

Registered Office of AJI Commercial Private Limited

The present registered office of the Company is situated at Cambatta Building, 3rd Floor, South-West Wing, 42, M. Karve Road, Churchgate, Mumbai- 400002.

Principal Business of AJI Commercial Private Limited

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of investing in long term and short term shares and securities of other companies.

Listing Status	Not Listed
PAN	AAACA6724A
Bank A/c No.	1028104604 , Central Bank of India, Bombay Mumbai Main Office
Company Registration No.	066518
Address of ROC	100, Everest, Marine Drive, Mumbai- 400002
Details of change in Control or Management	Nil

Board of Directors

The Directors on the Board of AJI Commercial Private Limited are:

S. No.	Name	Status	Designation	DIN
1.	Amol Jagdish Kapadia	Promoter Director	Director	01462032
2.	Sushila Jagdish Kapadia	Promoter Director	Director	02105539

Change in Directors in the last 3 years-

Nil

Shareholders Details:

S. No.	Name	No. of Shares
1.	Jagdish Kapadia*	10
2.	Oriental Pharmaceuticals Industries Limited	190
3.	AJI Investment Private Limited	2400
4.	AJK Investment Private Limited	2400
	Total	5000

* Under Transmission

Share Price Information

The Shares of AJI Commercial Private Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

Financial Performance**(Amount in Rs.)**

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	5,00,000	5,00,000	5,00,000
Paid up Equity Capital	5,00,000	5,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves and including carried forward debit balance of Profit & Loss Account)	16,77,586	16,65,072	(1,45,016)
Sales/Total Income	42,962	21,976	1,000
Profit/(Loss) after Tax (PAT)	12,502	10,088	(5,655)
Earning per Share (In Rs.)	12.50	10.09	(5.66)
Diluted Earnings per Share (In Rs.)	12.50	10.09	(5.66)
NAV per Equity Share (Face Value of Rs. 100 each) (In Rs.)	435.51	433.01	(45.02)

Source: Audited Financial Statements

Declaration: It is confirmed that Permanent Account Number, Bank Account details, Company Registration no., Address of ROC with whom it is registered of the AJI Commercial Private Limited is being submitted to the Stock Exchanges on which Equity Shares are proposed to be listed, at the time of filing of Letter of Offer with them.

2. Oriental Pharmaceutical Industries Limited:

Oriental Pharmaceutical Industries Limited was incorporated as Public Limited Company on March 11, 1941 under the name and style of Oriental Pharmaceutical Industries Limited, vide Certificate of Incorporation no. 3286 of 1940-1941, issued by the Registrar of Companies.

Promoters of Oriental Pharmaceutical Industries Limited

1. Mrs. Sushila Jagdish Kapadia
2. Mr. Amol Jagdish Kapadia

Registered Office of Oriental Pharmaceutical Industries Limited

The present registered office of the Company is situated at Factory Premises, Off Polson Ltd., Ambaghat, Vishalga - 415101, Maharashtra.

Principal Business of Oriental Pharmaceutical Industries Limited

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of manufacturing, buying, selling, importing, exporting or otherwise dealing in pharmaceutical and medical and medical products and preparations of all kinds.

Listing Status	Not Listed
PAN	AAACO0946J
Bank A/c No.	001020110000268, Bank of India, Churchgate
Company Registration No.	003286
Address of ROC	100, Everest, Marine Drive, Mumbai- 400002
Details of change in Control or Management	Nil

Board of Directors

The Directors on the Board of Oriental Pharmaceutical Industries Limited are:

S.no	Name	Status	Designation	DIN
1.	Amol Jagdish Kapadia	Promoter Director	Director	01462032
2.	Sushila Jagdish Kapadia	Promoter Director	Director	02105539
3.	Lambore Dhau Gangaram	Director	Director	02274626

Change in Directors in the last 3 years-

S. No	Name, Address & DIN	Date of Appointment	Date of Cessation	Reason
1.	Mr. Jagdish Jagmohandas Kapadia	-	February 13, 2014	Deceased

	109 Mount Unique, 14 th Floor, Peddar Road, Mumbai - 400026, Maharashtra DIN: 00245216			
2.	Mr. Lambore Dhau Gangaram A/P Amba, Tal Shahuwadi, Kolhapur - 415101, Maharashtra DIN: 02274626	February 13, 2014	-	Appointment as Additional Director

Shareholders Details:

S. No.	Name	No. of Shares
1.	Mrs. Sushila Jagdish Kapadia	6350
2.	Mr. Jagdish Jagmohandas Kapadia*	10
3.	Mr. Amol Jagdish Kapadia	10
4.	Mrs. Priya Amol Kapadia	10
5.	The New Commercial Mills Co. Limited	10
6.	AJI Commercial Private Limited	10
7.	AJI Investment Private Limited	10
8.	AJK Investment Private Limited	10
	Total	6420

* Under Transmission

Share Price Information

The Shares of Oriental Pharmaceutical Industries Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

Financial Performance

Particulars	(Amount in Rs.)		
	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	9,00,000	9,00,000	9,00,000
Paid up Equity Capital	6,42,000	6,42,000	6,42,000
Reserves & Surplus (excluding revaluation reserves)	52,18,84,231	9,91,45,902	9,79,60,841
Sales/Total Income	42,85,70,506	13,55,332	12,93,892
Profit/(Loss) after Tax (PAT)	42,27,38,329	7,05,313	5,67,570
Earning per Share (In Rs.)	65,847.09	109.86	88.41
Diluted Earning per Share (In Rs.)	65,847.09	109.86	88.41
NAV per Equity Share (Face Value of Rs. 100 each) (In Rs.)	81,390.37	15,543.29	15,358.70

Source: Audited Financial Statements

Declaration: It is confirmed that Permanent Account Number, Bank Account details, Company Registration no., Address of ROC with whom it is registered of Oriental Pharmaceutical Industries Limited is being submitted to the Stock Exchanges on which Equity Shares are proposed to be listed, at the time of filing of Letter of Offer with them.

3. The New Commercial Mills Company Limited:

The New Commercial Mills Company Limited was incorporated as Public Limited Company on December 21, 1927 under the name and style of The New Commercial Mills Company Limited, vide Certificate of Incorporation no. 1349 issued by the Registrar of Companies, Bombay.

Promoters of The New Commercial Mills Company Limited

1. Amol Jagdish Kapadia
2. Sushila Jagdish Kapadia

Registered Office of The New Commercial Mills Company Limited

The present registered office of the Company is situated at OPIL Compound, 64/66, Senapati Bapat Marg, Mahim, Mumbai - 400016, Maharashtra.

Principal Business of The New Commercial Mills Company Limited

As per the main objects stated in the Memorandum of Association of the Company, the Company was

formed with the object of pursuing business of cotton spinners and doublers; wool, silk, flax, jute and hemp spinners and doublers; linen manufacturers, cotton flax, hemp, jute, and wool merchants, wool combers, worsted spinners, wollen spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers and makers of vitriol bleaching and dyeing materials; and to purchase, sell comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk, and other fibrous substances; and to weave or otherwise manufacture, buy and sell, deal in linen, cloth and other goods and fabrics whether textile, fribled knitted or looped and to supply power.

Listing Status	Not Listed
PAN	AABCT4256F
Bank A/c No.	001020110000267, Bank of India, Churchgate
Company Registration No.	214186
Address of ROC	100, Everest, Marine Drive, Mumbai- 400002
Details of change in Control or Management	Nil

Board of Directors

The Directors on the Board of The New Commercial Mills Company Limited are:

S.no	Name	Status	Designation	DIN
1.	Amol Jagdish Kapadia	Promoter Director	Director	01462032
2.	Sushila Jagdish Kapadia	Promoter Director	Director	02105539
3.	Lambore Dhau Gangaram	Additional Director	Director	02274626

Change in Directors in the last 3 years-

S. No	Name, Address & DIN	Date of Appointment	Date of Cessation	Reason
1.	Mr. Jagdish Jagmohandas Kapadia 109 Mount Unique, 14 th Floor, Peddar Road, Mumbai - 400026, Maharashtra DIN: 00245216	-	February 13, 2014	Deceased
2.	Mr. Lambore Dhau Gangaram A/P Amba, Tal Shahuwadi, Kolhapur - 415101, Maharashtra DIN: 02274626	February 13, 2014	-	Appointment as Additional Director

Shareholders Details:

S. No.	Name	No. of Shares
1.	Sushila Kapadia	3000
2.	Jagdish Jagmohandas Kapadia*	4378
3.	Amol Kapadia	2000
4.	New Commercial Investment & Trading Co Limited	35698
5.	Oriental Pharmaceutical Industries Limited	129309
6.	Polson Limited	5000
7.	Hindustan Wire Glass Limited	20800
8.	Bharat Vijay Mills Limited	15
9.	Trust	5057
10.	Trust	5000
	Total	210257

* Under Transmission

Share Price Information

The Shares of The New Commercial Mills Company Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

Financial Performance

(Amount in Rs.)			
Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,15,00,000	1,15,00,000	1,15,00,000
Paid up Equity Capital	1,03,87,850	1,03,87,850	1,03,87,850
Reserves & Surplus (excluding revaluation reserves)	1,04,64,650	1,02,58,118	97,54,142
Sales/Total Income	11,09,035	10,25,205	5,94,362
Profit/(Loss) after Tax (PAT)	6,30,023	5,20,053	2,48,275
Earning per Share Rs. 50 Equity Share (In Rs.)	-	2.50	1.20
Earning per Share Rs. 25 Equity Share (In Rs.)	-	1.25	0.60
Basic Earning per Share Rs. 100Equity Share (In Rs.)	3.03	2.50	-
Diluted Earning per Share Rs. 100Equity Share (In Rs.)	3.03	2.50	-
Diluted Earning per Share Rs. 50 Equity Share (In Rs.)	-	2.50	1.20
Diluted Earning per Share Rs. 25 Equity Share (In Rs.)	-	1.25	0.60
NAV per Equity Share – Rs. 50 Equity Share (In Rs.)	-	100.59	98.13
NAV per Equity Share – Rs. 25 Equity Share (In Rs.)	-	49.69	48.47

Source: Audited Financial Statements

Declaration: It is confirmed that Permanent Account Number, Bank Account details, Company Registration no., Address of ROC with whom it is registered of The New Commercial Mills Company Limited is being submitted to the Stock Exchanges on which Equity Shares are proposed to be listed, at the time of filing of Letter of Offer with them.

OTHER INFORMATION ABOUT THE PROMOTERS

The present promoters are not the original promoters of Polson Limited.

Our Company was incorporated on December 21, 1938, and the management of our Company was transferred from the erstwhile promoter of our Company, Seth Pestunji Edulji Polson, to the current Promoters of the Company in the year 1970.

Common Pursuits

The Promoter group companies are not engaged in same line of business and as such there is no apparent conflict of interest in real sense because of the fact that the product offerings of the two group companies are different. The Issuer Company is currently engaged in the manufacture and sale of vegetable tannin materials and leather chemicals to leather industries in India and internationally. At present there is no conflict of interest between the businesses of the issuer with other Promoter Group Companies. However, Our Promoters are also the Promoters of the following companies that may lead to conflict of interest with the business of the Company.

- ➔ AJI Investment Private Limited
- ➔ AJK Investments Private Limited
- ➔ Coriander Homes LLP
- ➔ Awas Meadows Coriander Farms Private Limited
- ➔ Europa Chemicals Asia Private Limited
- ➔ Europa Chemicals Private Limited
- ➔ New Commercial Investment and Trading Co Limited
- ➔ RUK Chemicals Private Limited
- ➔ Polson Butter Private Limited

Interest of Promoters

The Promoters of the Company are interested to the extent of its shareholding in the Company.

Except as stated otherwise in this Letter of Offer, the Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Letter of Offer in which the Promoter is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by the Company other than in the normal course of business.

There are companies/firms that have been promoted by one or more of the promoters, and to that extent they may be considered in such company/firm.

For further details on the above, please refer to the chapter "Our Management" beginning on page no. 70 of this Letter of Offer.

Payment of benefits to the Promoter

Except as stated in the section titled "Related Party Transactions" on page 120 of this Letter of Offer, there has been no payment of benefits to the Promoter during the two years prior to the filing of this Letter of Offer.

Related Party Transaction

For details of related party transactions please refer to page no. 120 of the Letter of Offer.

Confirmations

Further, the Promoters have not been declared as a wilful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoter in the past or are pending against them except as disclosed in section titled "Outstanding Litigation and Material Developments" beginning on page 150 of this Letter of Offer.

Information in respect of all the group companies including companies forming part of the Promoter Group

1) M/s AJI Investment Private Limited

Type of Organisation:

The Company was incorporated as a Private Limited Company on February 05, 1998. Its Company Identification No. is U65990MH1998PTC113410.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of investing, acquiring, holding, selling, exchanging and dealing in shares, stocks, bonds, debentures etc.. The registered office of the Company is located at Cambatta Building, 3rd Floor, South West Wing, 42, M.Karve Road, Churchgate, Mumbai – 400 020, Maharashtra.

Nature and extent of interest of the promoters

Name	Number of Equity Shares held in AJI Investment Private Limited	Percentage
Mr. Jagdish Jagmohandas Kapadia*	9	0.09%
Mrs. Sushila Jagdish Kapadia	9813	98.13%
Mr. Amol Jagdish Kapadia	Nil	Nil
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	178	1.78%
The New Commercial Mills Company Limited	Nil	Nil

* Under Transmission

The Promoters of the Polson Limited are interested to the extent of the shareholding in AJI Investment Private Limited.

Financial Performance

(Amount in Rs.)

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,00,000	1,00,000	1,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	2,47,15,760	1,31,01,455	1,00,25,835
Sales/Total Income	1,65,53,909	51,69,255	54,83,322
Profit/(Loss) after Tax (PAT)	1,16,45,770	30,79,392	29,02,897
Earning per Share (In Rs.)	1,164.58	307.94	290.29
Diluted Earning per Share (In Rs.)	1,164.58	307.94	290.29
NAV* per Equity Share (Face Value of Rs. 10 each) (In Rs.)	2,521.57	1,320.15	1,012.58

*Note- We have not considered the following as a part of Equity for the purpose of calculation of NAV:

1. 40,000 Non- Cumulative 4% optionally Redeemable preference shares of Rs. 10 issued at a premium of Rs. 90 each, convertible into 40,000 Equity Shares of Rs. 10 each.
2. 60,000 (0% convertible Bonds of Rs. 100 each) convertible at the end of 30 years from the date of allotment i.e. June 09, 1998 with an option to the Bond holder by giving 3 months notice to the date of encashment to receive cash with a premium of 5% on the face value of Bond.

Source: Audited Financial Statements

2) M/s AJK Investments Private Limited

Type of Organisation:

The Company was incorporated as a Private Limited Company on February 17, 1998. Its Company Identification No. is U65993MH1998PTC113608.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of investing, acquiring, holding, selling, exchanging and dealing in shares, stocks, bonds, debentures etc.. The registered office of the Company is located at Cambatta Building, 3rd Floor, South West Wing, 42, M.Karve Road, Churchgate, Mumbai – 400 020, Maharashtra.

Nature and extent of interest of the promoters

Name	Number of Equity Shares held in AJK Investments Private Limited	Percentage
Mrs. Sushila Jagdish Kapadia	9	0.09%
Mr. Amol Jagdish Kapadia	9813	98.13%
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	178	1.78%
The New Commercial Mills Company Limited	Nil	Nil

The Promoters of the Polson Limited are interested to the extent of the shareholding in AJK Investment Private Limited.

Financial Performance

(Amount in Rs.)

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,00,000	1,00,000	1,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	3,49,94,570	3,14,90,654	2,76,33,430
Sales/Total Income	62,24,858	64,65,587	50,02,382
Profit/(Loss) after Tax (PAT)	35,03,916	41,00,008	22,62,497
Earning per Share (In Rs.)	350.39	410.00	226.25
Diluted Earning per Share (In Rs.)	350.39	410.00	226.25
NAV per Equity Share (Face Value of Rs. 10 each)(In Rs.)	3509.45	3,159.06	2,773.34

*Note- We have not considered the following as a part of Equity for the purpose of calculation of NAV:

1. 80,000 Non- Cumulative 4% optionally Redeemable preference shares of Rs. 10 issued at a premium of Rs. 90 each, convertible into 40,000 Equity Shares of Rs. 10 each.
2. 60,000 (0% convertible Bonds of Rs. 100 each) convertible at the end of 30 years from the date of allotment i.e. June 09, 1998 with an option to the Bond holder by giving 3 months notice to the date of encashment to receive cash with a premium of 5% on the face value of Bond.

Source: Audited Financial Statements

3) M/s Coriander Homes Limited Liability Partnership

Type of Organisation:

M/s Coriander Homes Limited Liability Partnership, has been established on December 18, 2014. The Fixed Capital of the LLP is Rs. 1,00,000/- (Rupees One Lacs only) being the amount converted from share capital of Coriander Homes Private Limited ("CHPL") as detailed below:-

S.No.	Name of the Partner	Capital Contribution (Rs.)
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1.	Sushila Jagdish Kapadia	80,000
2.	Amol Jagdish Kapadia	20,000
	TOTAL	1,00,000

Brief Description of Business:

The registered office of M/s Coriander Homes LLP is located at 109, Mount Unique, G Deshmukh Marg, Pedder Road, Mumbai – 400 026, Maharashtra. Business to be transacted by LLP is mentioned as follows:-

1. To carry on in India or elsewhere the business of builders, developers, contractors, designers, decorators, furnishers, consultants, instructors, erectors, construction and brokers of all types of buildings and structures including houses, residential flats, apartments, structures or residential, offices, godowns, warehouses, shops, factories, sheds, hospitals, hotels, holiday resorts, shopping malls, industrial , institutional or commercial complexes, or developers of co-operative housing societies, developers of housing schemes, townships, motels, guest houses, software technology parks, information technology parks, electric hardware technology parks, industrial parks, special economic zones, free trade zones, multiplex theatres, & to develop, erect, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sale, lease, let on hire, commercialize, turn to account, fabricate, handle and control, all such buildings and structure and to purchase, sale and deal in all types of movable and immovable property for development, investment, or for re-sale and to act as buyer, seller, importer, exporter, agent, distributor, stockier or otherwise, in all types of raw materials, goods, fittings, parts, accessories, know-how, consumables, plants and machineries, tools, tackles used for foregoing purposes and in particular preparing 9+ of building sites, developing, constructing, reconstructing, erecting, altering, improving, enlarging, developing, decorating, furnishing, demolishing, reconstructing, administering & replacing, maintaining and managing of structures, flats, houses, factories, shops, offices, garages, warehousing, buildings, works, workshops, halls, hospital, mills, tenements, chawls, nursing homes, clinics, godowns & other commercial, educational purposes & conveniences.
2. To invest surplus funds of the LLP from time to time, in deposits, units, Government Securities or in other securities, including shares, bonds and debentures, and sell or vary such investment and to execute all assignments, transfers, receipts and such documents that may be necessary in that behalf.
3. To do the business as buyers, sellers, traders, resellers, hires, importers, exporters, dealers, agents, distributors, repairers, stores, warehouses of any goods, articles or things or merchandise, licenses.

Nature and extent of interest of the promoters

Name	Number of Equity Shares held in Coriander Homes LLP	Percentage
Mrs. Sushila Jagdish Kapadia	8000	80.00%
Mr. Amol Jagdish Kapadia	2000	20.00%
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	Nil	Nil
The New Commercial Mills Company Limited	Nil	Nil

The Promoters of the Polson Limited are interested to the extent of the shareholding in Coriander Homes LLP.

Financial Performance

Particulars	(Amount in Rs.)	
	31.03.2015	31.03.2014
Partners Capital	1,00,00,000	5,00,000
Reserves & Surplus	62,44,335	(1,59,791)
Revenue from operations	-	-
Other Income	93,29,380	-
Total Expenses	59,862	-
Profit/(Loss) before Tax (PAT)	92,69,518	-
Earning per Share (In Rs.)		(3.57)
Tax Expense	30,25,183	-

Diluted Earnings per Share (In Rs.)	-	-
NAV per Equity Share (Face Value of Rs. 10 each)(In Rs.)	-	-

Source: Audited Financial Statements

5) M/s Europa Chemicals Private Limited

Type of Organisation:

The Company was incorporated as a Private Limited Company on May 24, 2004. Its Company Identification No. is U24100MH2004PTC146496.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of manufacturing, producing, processing of organic, inorganic, industrial, laboratory, photographic, fine biological, pathological, pharmaceutical and other chemicals. The registered office of the Company is located at Cambatta Building, 3rd Floor, South West Wing, 42, M.Karve Road, Churchgate, Mumbai – 400 020, Maharashtra.

Nature and extent of interest of the promoters

Name	Number of Shares held in Europa Chemicals Private Limited	Percentage
Mrs. Sushila Jagdish Kapadia	8000	80.00%
Mr. Amol Jagdish Kapadia	2000	20.00%
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	Nil	Nil
The New Commercial Mills Company Limited	Nil	Nil

The Promoters of the Polson Limited are interested to the extent of the shareholding in Europa Chemicals Private Limited.

Financial Performance

Particulars	(Amount in Rs.)		
	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	5,00,000	5,00,000	5,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	18,40,025	13,52,857	6,77,911
Sales/Total Income	1,67,66,985	1,97,15,001	1,45,38,688
Profit/(Loss) after Tax (PAT)	5,10,952	6,76,526	2,40,801
Earning per Share (In Rs.)	51.10	67.65	24.08
Diluted Earning per Share (In Rs.)	51.10	67.65	24.08
NAV* per Equity Share (Face Value of Rs. 10 each)(In Rs.)	194.01	145.28	77.64

* NAV per equity share has been calculated after deducting Miscellaneous Expenditure to the extent not written off as appearing in the Balance Sheet of respective years.

Source: Audited Financial Statements

6) M/s New Commercial Investment and Trading Co Limited

Type of Organisation:

The Company was incorporated as a Public Limited in the name and style of Devkaran Nanjee Investment Company Limited on February 15, 1943. Subsequently the name of the Company was changed to its present name and a fresh certificate of incorporation consequent upon change of name dated December 05, 1973 was issued by the Registrar of Companies, Maharashtra, Bombay. Its Company Identification No. is U67120MH1943PLC003840.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of investment company and to buy, underwriting, investing, acquiring and holding shares, stocks, debentures, debenture-stock, bonds, obligations and securities

issued or guaranteed by any company constituted or carrying on business in India or elsewhere. The registered office of the Company is located at Factory Premises of Polson Ltd., Ambaghat, Vishalgad 415101, Maharashtra.

Nature and extent of interest of the promoters

Name	Number of Equity Shares held in New Commercial Investment and Trading Co Limited	Percentage
Mrs. Sushila Jagdish Kapadia	247900	49.58%
Mr. Amol Jagdish Kapadia	Nil	Nil
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	Nil	Nil
The New Commercial Mills Company Limited	Nil	Nil

The Promoters of the Polson Limited are interested to the extent of the shareholding in New Commercial Investment and Trading Co Limited.

Financial Performance

Particulars	(Amount in Rs.)		
	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,25,00,000	1,25,00,000	1,25,00,000
Paid up Equity Capital	25,00,000	25,00,000	25,00,000
Reserves & Surplus (excluding revaluation reserves)	7,54,887	6,21,789	4,30,038
Sales/Total Income	2,57,713	2,85,126	20,26,534
Profit/(Loss) after Tax (PAT)	1,30,420	1,94,341	15,84,094
Earning per Share (In Rs.)	1.30	1.94	15.84
Diluted Earning per Share (In Rs.)	1.30	1.94	15.84
NAV per Equity Share (Face Value of Rs. 5 each) (In Rs.) [#]	6.50	6.24	29.30

[#]The face value of the Equity Shares was reduced to Rs. 5 per Equity Share from Rs. 25 per Equity Share during April 2013

Source: Audited Financial Statements

7) M/s RUK Chemicals Private Limited

Type of Organisation:

The Company was incorporated as a Private Limited Company on June 16, 2009. Its Company Identification No. is U24100MH2009PTC193343.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of manufacturing, producing, processing of organic, inorganic, industrial, laboratory, photographic, fine biological, pathological, pharmaceutical and other chemicals. The registered office of the Company is located at 3rd Floor Cambata Building, 42 M Karve Road, South West Wing, Churchgate, Mumbai- 400020.

Nature and extent of interest of the promoters

Name	Number of Equity Shares held in RUK Chemicals Private Limited	Percentage
Mrs. Sushila Jagdish Kapadia	5000	50.00%
Mr. Amol Jagdish Kapadia	5000	50.00%
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	Nil	Nil
The New Commercial Mills Company Limited	Nil	Nil

The Promoters of the Polson Limited are interested to the extent of the shareholding in RUK Chemicals Private Limited.

Financial Performance

(Amount in Rs.)

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	5,00,000	5,00,000	5,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves and including carried forward debit balance of Profit & Loss Account)	(2,43,171)	(1,79,900)	(1,43,446)
Sales/Total Income	-	-	-
Profit/(Loss) after Tax (PAT)	(63,271)	(36,454)	(74,699)
Earning per Share (In Rs.)	(6.33)	(3.65)	(7.47)
Diluted Earning per Share (In Rs.)	(6.33)	(3.65)	(7.47)
NAV* per Equity Share (Face value of Rs. 10 each) (In Rs.)	(14.31)	(8.57)	(5.51)

* NAV per equity share has been calculated after deducting unamortized share issue expenses/ Miscellaneous Expenditure to the extent not written off as appearing in the Balance Sheet of respective years.

Source: Audited Financial Statements

7) M/s Polson Butter Private Limited

Type of Organisation:

The Company was incorporated as a Private Limited Company on December 02, 2010. Its Company Identification No. is U15203MH2010PTC210523.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of manufacturers, producers, processors, makers, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in cheese, yogurt, butter, margarine, cream, paneer, milk, condensed milk, powder milk, skimmed milk. . The registered office of the Company is located at 3rd Floor, Cambatta Building, South West Wing, Eros Cinema Building, Churchgate, Mumbai 400020.

Nature and extent of interest of the promoters

Name	Number of Equity Shares held in Polson Butter Private Limited	Percentage
Mrs. Sushila Jagdish Kapadia*	9500	95.00%
Mr. Amol Jagdish Kapadia	500	5.00%
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	Nil	Nil
The New Commercial Mills Company Limited	Nil	Nil

* Shares held by Late Shri Jagdish Jagmohandas Kapadia under Transmission to Mrs. Sushila Jagdish Kapadia

The Promoters of the Polson Limited are interested to the extent of the shareholding in Polson Butter Private Limited.

Financial Performance

(Amount in Rs.)

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,00,000	1,00,000	1,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	(54,000)	(41,080)	(27,960)

Sales/Total Income	-	-	-
Profit/(Loss) after Tax (PAT)	(12,920)	(13,120)	(9,320)
Earning per Share (In Rs.)	(1.29)	(1.31)	(0.93)
Diluted Earning per Share (In Rs.)	(1.29)	(1.31)	(0.93)
NAV* per Equity Share (Face value of Rs. 10 each) (In Rs.)	-	-	6.34

* NAV per equity share has been calculated after deducting unamortized share issue expenses /Miscellaneous Expenditure to the extent not written off as appearing in the Balance Sheet of respective years

Source: Audited Financial Statements

8) M/s Awas Meadows Coriander Farms Private Limited

Type of Organisation:

The Company was incorporated as a Private Limited Company on March 23, 2010. Its Company Identification No. is U70109MH2010PTC201164.

Brief Description of Business:

The registered office of the Company is located at 903, Peninsula Tower-1, Peninsula Corporate Park, G Kadam Marg, Off. Senapati Bapat Marg, Lower Parel, MUMBAI- 400013

Nature and extent of interest of the promoters

Name	Number of Shares held in Awas Meadows Coriander Farms Private Limited	Percentage
Mrs. Sushila Jagdish Kapadia	2500.00	25.00%
Mr. Amol Jagdish Kapadia	2500.00	25.00%
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	Nil	Nil
The New Commercial Mills Company Limited	Nil	Nil

The Promoters of the Polson Limited are interested to the extent of the shareholding in Awas Meadows Coriander Farms Private Limited.

Financial Performance

(Amount in Rs.)

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,00,000	1,00,000	1,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	(75,897)	(66,297)	(48,155)
Sales/Total Income	-	2,805	-
Profit/(Loss) after Tax (PAT)	(9,600)	(18,142)	(35,131)
Earning per Share (In Rs.)	(1.16)	(1.81)	-
Diluted Earning per Share (In Rs.)	(1.16)	(1.81)	-
NAV* per Equity Share (Face value of Rs. 10 each) (In Rs.)	-	-	-

Source: Audited Financial Statements

9) M/s Europa Chemicals Asia Private Limited

Type of Organisation:

The Company was incorporated as a Private Limited Company on July 02, 2012. Its Company Identification No. is U24119MH2012PTC232808.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of manufacturing, producing, processing of organic,

inorganic, industrial, laboratory, photographic, fine biological, pathological, pharmaceutical and other chemicals. The company has not commenced its business operation during the financial year under review. However, it has to incur day to day expenses. The registered office of the Company is located at Cambatta Building, 3rd Floor, South West Wing, 42, M.Karve Road, Churchgate, Mumbai – 400 020, Maharashtra.

Nature and extent of interest of the promoters

Name	Number of Shares held in Europa Chemicals Asia Private Limited	Percentage
Mrs. Sushila Jagdish Kapadia	5000	50.00%
Mr. Amol Jagdish Kapadia	5000	50.00%
AJI Commercial Private Limited	Nil	Nil
Oriental Pharmaceutical Industries Limited	Nil	Nil
The New Commercial Mills Company Limited	Nil	Nil

The Promoters of the Polson Limited are interested to the extent of the shareholding in Europa Chemicals Private Limited.

Financial Performance

(Amount in Rs.)

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,00,000	1,00,000	1,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	(35,185)	(22,640)	(9,420)
Sales/Total Income	-	-	-
Profit/(Loss) after Tax (PAT)	(12,545)	(13,220)	(9,420)
Earning per Share (In Rs.)	(1.25)	(1.32)	(0.94)
Diluted Earning per Share (In Rs.)	(1.25)	(1.32)	(0.94)
NAV* per Equity Share (Face Value of Rs. 10 each) (In Rs.)	6.48	7.73	-

Source: Audited Financial Statements

CURRENCY OF PRESENTATION

In the Letter of Offer, all references to "Rupees" and "Rs." and "Indian Rupees" are to the legal currency of the Republic of India. Through out the sections on 'Financial Information' and 'Summary of Financial Information' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' in the Letter of Offer figures have been expressed in lacs. The term 'lacs' means 'One Hundred Thousand'.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and elsewhere in the Letter of Offer, unless otherwise indicated, have been calculated on the basis of our financial statements prepared in accordance with Indian GAAP. In the Letter of Offer, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

DIVIDEND POLICY

Dividends, other than interim dividends, will be declared at the annual general meeting of the shareholders based on the recommendation of the Board of Directors. The Board may, at its discretion, recommend dividend to be paid to the members of the Company. The factors that may be considered by the Board before making any recommendations for the dividend, include but are not limited to profits earned during the financial year, liquidity of the Company, obligations towards repayment of debt including maintaining debt service reserves, future expansion plans and capital requirements, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time.

The Board may also, from time to time, pay to the members, interim dividend, as appears to the Board to be justified by the profits of the Company.

The Company has not declared any dividend on its Equity Shares during each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011.

SECTION V- FINANCIAL INFORMATION

FINANCIAL INFORMATION OF OUR COMPANY

AUDITORS REPORT

Independent Auditor's Report for the Restated standalone Financial Statements of Polson Limited.

The Board of Directors,
POLSON LIMITED
Ambaghat Vishalgad,
Taluka Shahuwadi,
District Kolhapur - 415101.

Dear Sirs,

We have examined the restated financial information of Polson Limited ("the Company"), prepared by the Company and annexed to this report, in connection with the proposed rights issue of equity shares of Rs.50 each, on rights basis (hereinafter referred to as the "Issue"), at such premium as may be decided by the Board of Directors or committee thereof. Such financial information, which has been approved by the Board of Directors or committee thereof, has been prepared in accordance with the requirements of:

1. Sub-clause (i) and (iii) of clause (b) of sub-section (1) of Section 26 of the Companies Act, 2013 ('the Act') read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014 and
2. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**"), as amended to date.

We have examined such financial information taking into consideration:

- The terms of reference received from the Company vide their letter dated 10th January 2016, requesting us to carry out work on such financial information, proposed to be included in the Letter of Offer and Letter of Offer (collectively referred to as "offer document") of the Company in connection with its proposed Issue;
- The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India.

A. Financial information as per Restated Unconsolidated Summary Statements

1. We have examined the attached Restated Unconsolidated Summary Statements of:
 - assets and liabilities of the Company as at March 31, 2015, 2014, 2013, 2012 and 2011 (**Annexure-I**);
 - profits and losses of the Company for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 (**Annexure -II**); and
 - cash flows of the Company for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 (**Annexure-III**).

Which have been prepared by the Company and approved by its Board of Directors or committee thereof (these statements are hereinafter collectively referred to as the "Restated Unconsolidated Summary Statements"). These statements have been extracted

by the management from the audited unconsolidated financial statements of the Company for the respective years.

2. The Restated Unconsolidated Summary Statements have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in **Annexure-IV** to this report. Based on our examination of these Restated Unconsolidated Summary Statements, we confirm that:

- Adjustments for the adoptions of accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the adopted accounting policy for all reporting periods.
- Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
- There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
- There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on on March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, which were of such a nature as would warrant adjustments in this Restated Financial Statements of the Company.
- These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.

B. Financial information as per Restated Consolidated Summary Statements

3. We have examined the attached Restated Consolidated Summary Statements of:

- assets and liabilities of the Company, its subsidiaries and associates (hereafter referred to as "the Group" as at for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 (**Annexure-I A**);
- profits and losses of "the Group" for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 (**Annexure-II A**); and
- cash flows of the "the Group" for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 (**Annexure-III A**).

Which have been prepared by the Company and approved by its Board of Directors or committee thereof (these statements are hereinafter collectively referred to as the "Restated Consolidated Summary Statements"). These statements have been extracted by the management from the audited consolidated financial statements of the Company for the respective years.

4. The Restated Consolidated Summary Statements have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the

notes appearing in **Annexure-IV A** to this report. Based on our examination of these Restated Consolidated Summary Statements, we confirm that:

- Adjustments for the adoptions of accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the adopted accounting policy for all reporting periods.
- Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
- There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
- There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, which were of such a nature as would warrant adjustments in this Restated Consolidated Financial Statements of the Company.
- These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV A** to this report.

C. Other financial information

5. We have also examined the following unconsolidated financial information as restated relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 proposed to be included in the Draft Prospectus / Prospectus (**"Offer Document"**).

- i. Statement of Share Capital, as Restated (Annexure-V)
- ii. Statement of Reserve and Surplus, as Restated (Annexure-VI)
- iii. Statement of Contingent Liabilities, as Restated (Annexure-VII)
- iv. Statement of Dividend declared/ Paid, as Restated (Annexure- VIII)
- v. Statement of Other Income, as Restated (Annexure- IX)
- vi. Statement of Accounting Ratios, as Restated (Annexure-X)
- vii. Statement of Capitalization, as Restated (Annexure- XI)
- viii. Statement of Tax Shelters, as Restated (Annexure- XII)
- ix. Statement of Long Term Borrowings/Deposits, as Restated (Annexure- XIII)
- x. Statement of Short Term Borrowings, as Restated (Annexure-XIV)
- xi. Statement of Long Term Provisions and Other Long Term Liabilities, as Restated (Annexure-XV)
- xii. Statement of Related Party Transactions, as Restated (Annexure- XVI)
- xiii. Statement of Long Term Loans and Advances and Other Non- Current Assets, as Restated(Annexure-XVII)
- xiv. Statement of Short Term Loans and Advances and Other Current Assets, as Restated(Annexure- XVIII)
- xv. Statement of Trade Payables, Other Current Liabilities and Short Term Provisions, as Restated (Annexure- XIX)
- xvi. Statement of Trade Receivables, as Restated (Annexure-XX)
- xvii. Statement of Non- Current Investments , as Restated (Annexure-XXI)
- xviii. Statement of Current Investments, as Restated (Annexure-XXII)

We further confirm that the Company has not declared any dividend on its equity shares during each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011.

6. We have also examined the following consolidated financial information as restated relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 proposed to be included in the Draft Prospectus / Prospectus (**"Offer Document"**).
 - i. Statement of Share Capital, as Restated (Annexure-V A)
 - ii. Statement of Reserve and Surplus, as Restated (Annexure-VI A)
 - iii. Statement of Contingent Liabilities, as Restated (Annexure-VII A)
 - iv. Statement of Dividend declared/ Paid, as Restated (Annexure- VIII A)
 - v. Statement of Other Income, as Restated (Annexure- IX A)
 - vi. Statement of Accounting Ratios, as Restated (Annexure-X A)
 - vii. Statement of Capitalization, as Restated (Annexure- XI A)
 - viii. Statement of Long Term Borrowings/Deposits, as Restated (Annexure- XIII A)
 - ix. Statement of Short Term Borrowings, as Restated (Annexure-XIV A)
 - x. Statement of Long Term Provisions and Other Long Term Liabilities, as Restated (Annexure-XVA)
 - xi. Statement of Related Party Transactions, as Restated (Annexure- XVI A)
 - xii. Statement of Long Term Loans and Advances and Other Non- Current Assets, as Restated(Annexure-XVII A)
 - xiii. Statement of Short Term Loans and Advances and Other Current Assets, as Restated(Annexure- XVIII A)
 - xiv. Statement of Trade Payables, Other Current Liabilities and Short Term Provisions, as Restated (Annexure- XIX A)
 - xv. Statement of Trade Receivables, as Restated (Annexure-XX A)
 - xvi. Statement of Non- Current Investments , as Restated (Annexure-XXI A)
 - xvii. Statement of Current Investments, as Restated (Annexure-XXII A)
7. In our opinion, the above financial information contained in Annexure I to XXII and Annexure I A to XXII A of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, the Rules, ICDR Regulations, Engagement Letter and Guidance Note.
8. We, A.S. Madon & Co. Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI ("Independent Auditor").
9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. This report is intended solely for your information and for inclusion in the offer document prepared in connection with the Issue of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For A. S. Madon & Co.
Chartered Accountants
Firm Registration No. 105725W

CA JAY SHAH
Partner
M.No.48417

Place: Mumbai.
Date: 12th March 2016

ANNEXURE I						
Restated Standalone Statement of Assets and Liabilities of Polson Limited						
Sr. No.	Particulars	Amount in Rs.				
		For the 3rd quarter year ended Dec 31, 2015	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
			Rs.	Rs.	Rs.	Rs.
	ASSETS					
1	NON-CURRENT ASSETS					
a.	Fixed Assets					
	Tangible Assets	855,101,974	826,310,704	290,408,702	298,744,144	305,118,516
	Intangible Assets					
	Capital Work-in-Progress				-	-
b.	Non-Current Investments	42,070	49,619,070	49,619,070	49,619,070	48,833,670
c.	Long Term Loans & Advances	196,413,135	312,422,381	227,071,175	227,253,039	185,843,590
d.	Deferred Tax Assets (Net)				-	-
e.	Other non-current assets					260,761
	Non-Current assets	1,051,557,179	1,188,352,155	567,098,947	575,616,253	540,581,176
2	CURRENT ASSETS					
a.	Inventories	63,801,235	127,661,504	169,418,046	184,329,198	108,434,794
b.	Trade receivable	167,445,309	167,959,455	147,697,185	94,800,097	112,144,076
c.	Cash and cash equivalents	5,472,552	10,745,905	46,638,512	44,372,632	48,650,762
d.	Short-term loans and advances	258,677,307	297,417,223	232,315,595	195,656,628	80,245,077
e.	Other Current Assets					
	Current Assets	495,396,403	603,784,087	596,069,338	519,158,555	349,474,709
	TOTAL (1 + 2) - A	1,546,953,582	1,792,136,242	1,163,168,285	1,094,774,808	890,055,885
	LIABILITIES					
3	NON-CURRENT LIABILITIES					
a.	Long-term borrowings	618,541,136	608,713,981	374,477,431	386,641,575	307,266,243
b.	Deferred tax liabilities (Net)	9,453,410	4,223,331	1,990,200	2,021,788	757,241
c.	Other long term liabilities					
d.	Long-term provisions	2,142,314	1,737,811	1,196,810	-	-
	Non-Current Liabilities	630,136,860	614,675,123	377,664,441	388,663,363	308,023,484
4	CURRENT LIABILITIES					
a.	Short-term borrowings	216,546,072	299,788,944	217,429,076	191,105,105	178,062,207
b.	Trade payables	128,083,976	144,297,761	125,185,345	97,674,997	56,368,288
c.	Other Current liabilities	47,018,932	280,520,325	55,356,284	75,768,447	60,420,000
d.	Short-term provisions	8,926,393	817,466	974,456	424,436	3,243,300
	Current Liabilities	400,575,373	725,424,496	398,945,161	364,972,985	298,093,795
	TOTAL (3 + 4) - B	1,030,712,233	1,340,099,619	776,609,602	753,636,348	606,117,279
	NET WORTH (A - B)	516,241,349	452,036,624	386,558,683	341,138,460	283,938,606
	NET WORTH REPRESENTED BY:					
1	Share Capital	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
2	Reserve and Surplus	510,241,349	446,036,624	380,558,683	335,138,460	277,938,606
3	Share Application money pending Allotment					
	TOTAL SHAREHOLDERS FUND	516,241,349	452,036,624	386,558,683	341,138,460	283,938,606

ANNEXURE II						
Restated Standalone Statement of Profit & Loss of POLSON Limited						
Particulars	Amount in Rs.					
	For the 3rd quarter year ended	For the years ended				
	Dec 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
INCOME						
Revenue from Operations	759,784,472	1,076,839,241	1,051,351,646	861,474,896	791,256,980	752,074,184
Less: Excise duty	(26,935,308)	(37,784,734)	(81,356,304)	(34,694,109)	(30,347,518)	(18,919,390)
Revenue from products manufactured	732,849,164	1,039,054,507	969,995,342	826,780,788	760,909,462	733,154,794
Revenue from products traded				-	-	0
Other Income	58,699,408	69,635,028	42,382,295	88,161,243	53,275,477	34,093,692
TOTAL INCOME - (A)	791,548,572	1,108,689,535	1,012,377,637	914,942,031	814,184,939	767,248,486
EXPENDITURE						
Cost of Materials	437,479,440	699,794,783	622,211,001	613,168,102	527,031,030	500,691,745
Purchases of Stock-in-Trade						
Changes in the Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26,484,654	(16,898,307)	12,465,220	(41,384,944)	(4,938,512)	(744,042)
Employee Benefit Expenses	36,456,000	45,136,898	39,041,853	36,865,884	26,306,279	23,472,325
Finance Costs	69,705,969	75,717,881	73,165,996	64,089,769	46,582,842	31,592,456
Depreciation	22,797,491	21,555,435	25,630,125	25,803,494	20,609,688	14,456,910
Other Expenses	162,589,132	187,606,557	173,206,218	136,294,117	133,226,952	106,159,572
TOTAL EXPENDITURE - (B)	755,512,686	1,012,913,247	945,720,413	834,836,422	748,818,279	675,628,966
Profit before exceptional items and Tax (A - B)	36,035,886	95,776,288	66,657,224	80,105,609	65,366,660	91,619,520
Exceptional Items - (C)	51,182,810			-	-	0
Profit before Tax - D = [A-B+C]	87,218,696	95,776,288	66,657,224	80,105,609	65,366,660	91,619,520
Tax Expense						
Current Tax	17,783,892	28,065,215	21,268,590	21,645,149	20,243,368	31,020,959
Deferred Tax Liability/(Assets)	5,230,079	2,233,131	(31,588)	1,264,547	943,510	386,332
Short provision for A.Y 2011-12		0	0			
Short provision for A.Y 2009-10		0	0			
Total Tax - (E)	23,013,971	30,298,346	21,237,002	22,909,696	21,186,878	31,407,291
Restated Net Profit after Tax F = (D-E)	64,204,725	65,477,942	45,420,222	57,195,913	44,179,782	60,212,229
Share of profits of Associates - G				-	-	0
Related Net Profit after Tax and Share of profits of Associates - (F + G)	64,204,725	65,477,942	45,420,222	57,195,913	44,179,782	60,212,229

ANNEXURE III						
Restated Standalone Statement of Cash Flows of POLSON Limited						
Particulars	Amount in Rs.					
	For the 3rd quarter year ended Dec 31, 2015	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012	For the year ended March 31, 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES						
1. Net Profit before Tax	87,218,696	95,776,288	66,657,224	80,105,609	65,366,660	91,619,520
2. Depreciation / Amortization	22,797,491	21,555,435	25,630,125	25,803,494	20,609,689	14,456,910
3. Interest expenses	69,705,969	72,947,074	67,662,374	61,373,408	43,792,406	31,592,456
4. Interest Income	(16,711,055)	(33,485,262)	(14,409,968)	(11,084,286)	(7,781,936)	5,364,381
5. Loss on sale of assets	0	421,380	198,091	(13,912,784)	67,612	0
6. CSR expenses	0	1,417,513				
7. Exchange Difference	13,281,819	12,614,015	19,691,585	10,695,965	-	0
OPERATING PROFIT BEFORE WORKING	176,292,920	171,246,443	165,429,431	152,981,406	122,054,431	143,033,267
CAPITAL CHANGES						
Adjustments for:						
8. Trade and Other Receivables	514,146	(20,262,270)	(52,897,088)	17,343,979	(20,929,860)	(9,099,180)
9. Inventories	63,860,269	41,756,542	14,911,152	(75,894,404)	(14,871,726)	(4,896,748)
10. Trade and Other Payables	(16,213,785)	19,112,416	27,510,348	41,306,709	(29,740,938)	4,550,372
11. Short Term Provisions for expenses	8,108,927	7,919,405	550,020	(518,188)	5,673,422	0
12. Deferred Tax Asset	-	-	-	-	39,412	(1,549,466)
13. Deferred Tax Liability	5,230,079	-	-	-	943,510	1,186,628
14. Long Term Provisions	404,503					
15. Other current Liabilities	(233,501,393)					
CASH (USED IN) FROM OPERATING	4,695,666	219,772,536	155,503,863	135,219,502	63,168,251	133,224,873
ACTIVITIES						
14. Direct taxes as per P & L account	(17,783,892)	(28,065,215)	(23,569,266)	(21,645,149)	(21,186,878)	(29,272,274)
15. CSR as per P & L account	-	(1,417,513)				
NET CASH FROM OPERATING ACTIVITIES	(13,088,226)	190,289,808	131,934,597	113,574,353	41,981,373	103,952,599
'A'						
B. CASH FLOW FROM INVESTING ACTIVITIES						
16. Purchase of Fixed Assets	(15,556,565)	(558,134,067)	(17,542,774)	(24,820,270)	(68,892,281)	(135,720,077)
17. Interest Received	16,711,055	33,485,262	14,409,968	11,084,286	7,781,936	5,364,381
18. Sale of Fixed Assets	325,000	255,248	50,000	19,303,933	403,281	584,908
19. Investments purchased/sold	49,577,000	-	-	-	(785,400)	(48,791,600)
20. Long Term Loans and Advances given	116,009,246	(85,351,206)	2,482,540	(43,710,125)	(78,426,178)	0
21. Loans from Directors & security deposits	0	217,087,646	(20,412,163)	15,348,447	8,825,000	1,214,624
22. Short Term Loans & Advances received	38,739,916	(65,101,628)	(36,658,967)	(115,407,611)	81,677,671	(134,392,749)
NET CASH USED IN INVESTING ACTIVITIES	205,805,652	(457,758,745)	(57,671,396)	(138,201,340)	(49,415,971)	(311,740,513)
'B'						
C. CASH FLOW FROM FINANCING ACTIVITIES						
23. Proceeds of Long Term Borrowings	9,827,152	234,236,551	(12,164,143)	79,375,332	14,249,229	217,783,220
24. Proceeds of Short Term Borrowings	(80,218,612)	82,900,869	27,520,781	13,042,898	71,382,593	28,320,000
25. Interest paid	(69,705,969)	(72,947,074)	(67,662,374)	(61,373,408)	(43,792,406)	(31,592,456)
25. Share Premium received/exchange rate loss	(13,281,819)	(12,614,015)	(19,691,585)	(10,695,965)	2,114,000	0
NET CASH USED IN FINANCING ACTIVITIES	(153,379,248)	231,576,331	(71,997,321)	20,348,857	43,953,416	214,510,764
'C'						
NET (DECREASE) OR INCREASE IN CASH & CASH	39,338,178	(35,892,606)	2,265,880	(4,278,130)	36,518,818	6,722,850
EQUIVALENTS (A+B+C)						
Cash & Cash Equivalents at the beginning of the year	10,745,906	46,638,512	44,372,632	48,650,762	12,131,944	16,137,856
Cash & Cash Equivalents at the end of the year	5,472,552	10,745,906	46,638,512	44,372,632	48,650,762	12,131,944
NOTES:						
1. Cash and Cash equivalents comprise of the following:						
a. Cash on hand	681,182	704,841	543,052	512,381	523,056	406,416
b. Balances with Banks						
i. In Current accounts	3,730,870	8,980,565	31,034,960	31,794,751	33,050,606	11,648,428
ii. In Deposit accounts	1,060,500	1,060,500	15,060,500	12,065,500	15,077,100	77,100
TOTAL	5,472,552	10,745,906	46,638,512	44,372,632	48,650,762	12,131,944

NOTES TO THE RESTATED STANDALONE SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, STATEMENT OF PROFITS AND LOSSES AND CASH FLOWS, AS RESTATED UNDER INDIAN GAAP, FOR POLSON LIMITED

1. Corporate information

The Company 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 principal activities of the Company comprise Manufacturing and selling of SYNTHETIC ORGANIC TANNING SUBSTANCE for Domestic and Export market. Plant of the Company is located in Amba, Taluka Shahuwadi, Dist. Kolhapur, Maharashtra.

2. Statement of Significant Accounting Policies adopted by the Company in the preparation of Financial Statements as at and for the period ended March 31, 2015 and period ended December 31, 2015.

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting standards notified under the companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1 April, 1996, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statement are consistent with those followed in the previous years.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

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. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortization

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 2013.

Leasehold land is amortised over the duration of the lease

Assets costing less than Rs.5,000 each are fully depreciated in the year of capitalization

2.7 Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9 Tangible fixed assets

Fixed Assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till commissioning of the project.

The company revalued all its fixed assets that existed on April 01, 1996. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to " Revaluation Reserve Account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation/ impairment that was previously recognized in the statement of profit and loss. Decrease in book value on revaluation is charged to the statement of profit and loss except where such decrease relates to a previously recognized increase that was credited to the Revaluation Reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reserved/utilized.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Foreign currency transactions and translations

Initial recognition:

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date:

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a ""Foreign currency translation reserve"" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.

2.11 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried

individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

Market values of Vallabh Glass Works(4,000 Shares at Book value Rs. 10 each) are not available as shares are not listed on security market. Hence in the absence of fair market values on balance sheet dates, cost of investment is considered as market value.

2.12 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity and performance bonus.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

The Company does not have Gratuity Fund System; however, Gratuity and Bonus to staff are accounted on cash basis or provided at the time of retirement.

2.13 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating the diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

2.15 Taxes on income

"Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred taxes relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

2.16 Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

2.17 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.18 Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.

2.19 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.20 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

3. MATERIAL REGROUPING

Till the year ended 31st March, 2011, the company was using Pre-Revised Schedule-VI to the Companies Act 1956, for Preparation and Presentation of Financial statements. During the year ended 31st March, 2012, the revised Schedule -VI notified under the Companies Act 1956, have become applicable to the company. The Company has reclassified previous year's figures to conform to the Revised Schedule-VI.

Material Regrouping for Restated Profit & Loss Account:

(a) Till the financial year ended March 31, 2011; the Company has shown Factory Wages under Direct

Expenses in audited Profit & Loss Account. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the head "Employee Benefit Expenses" in Audited Profit & Loss Account. The summary statement of Profit & Loss Account as Restated for the Financial Year ended March 31, 2011, and March 31, 2010 has been reclassified and shown accordingly.

- (b) Till the financial year ended March 31, 2011; the Company has shown Salaries and Wages under Direct Expenses in audited Profit & Loss Account. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the head "Employee Benefit Expenses" in Audited Profit & Loss Account. The summary statement of Profit & Loss Account as Restated for the Financial Year ended March 31, 2011, and March 31, 2010 has been reclassified and shown accordingly.
- (c) Till the financial year ended March 31, 2011; the Company has shown Staff Welfare under Direct Expenses in audited Profit & Loss Account. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the head "Employee Benefit Expenses" in Audited Profit & Loss Account. The summary statement of Profit & Loss Account as restated for the Financial Year ended March 31, 2011, March 31, and 2010 and has been reclassified and shown accordingly.
- (d) Till the financial year ended March 31, 2011; the Company has shown Raw Material Consumed under Direct Expenses in audited Profit & Loss Account. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the head "Cost of Material Consumed" in Audited Profit & Loss Account. The summary statement of Profit & Loss Account as Restated for the Financial Year ended March 31, 2011, and March 31, 2010 has been reclassified and shown accordingly.
- (e) Till the financial year ended March 31, 2011; the Company has shown General Stores/Fuel Consumption under Direct Expenses in audited Profit & Loss Account. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the head "Cost of Material Consumed" in Audited Profit & Loss Account. The summary statement of Profit & Loss Account as Restated for the Financial Year ended March 31, 2011, and March 31, 2010 has been reclassified and shown accordingly.
- (f) Till the financial year ended March 31, 2011; the Company has shown Changes in Finished Goods and WIP under Direct Expenses in audited Profit & Loss Account. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the head "Cost of Material Consumed" in Audited Profit & Loss Account. The summary statement of Profit & Loss Account as Restated for the Financial Year ended March 31, 2011, and March 31, 2010 has been reclassified and shown accordingly.
- (g) Till the financial year ended March 31, 2011; the Company has shown Interest and Finance Cost under Indirect Expenses in audited Profit & Loss Account. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the head "Finance Costs" in Audited Profit & Loss Account. The summary statement of Profit & Loss Account as Restated for the Financial Year ended March 31, 2011, and March 31, 2010 has been reclassified and shown accordingly.
- (h) Till the financial year ended March 31, 2011; the Company has shown Depreciation under Indirect Expenses in audited Profit & Loss Account. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the head "Depreciation and amortization expenses" in Audited Profit & Loss Account. The summary statement of Profit & Loss Account as Restated for the Financial Year ended March 31, 2011, and March 31, 2010 has been reclassified and shown accordingly.

Material Regrouping for Restated Assets & Liabilities Restated:

- (a) Till the financial year ended March 31, 2011; the Company has shown cash credit and packing credit with bank, Export Bills Discounted /Purchased by Bank under Secured Loans. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the

Company has regrouped the same under the heads of "Short Term Borrowings".

The summary statement of Assets & Liabilities as Restated for the Financial Year ended March 31, 2011, and March 31, 2010 has been reclassified and shown accordingly.

- (b)** Till the financial year ended March 31, 2011; the Company has shown Term Loans, Vehicle Loans and LIC Loan under Secured Loans. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the heads of "Long Term Borrowings".

The summary statement of Profit & Loss Account as Restated for the Financial Year ended March 31, 2011, has been reclassified and shown accordingly.

- (c)** Till the financial year ended March 31, 2011; the Company has shown 23774 0% Bonds of Rs.1000 each under Unsecured Loans. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the heads of "Long Term Borrowings". The summary statement of Assets & Liabilities as Restated for the Financial Year ended March 31, 2011, has been reclassified and shown accordingly.

- (d)** Till the financial year ended March 31, 2011; the Company has shown Loans from Directors, Companies under the same Management and Others under Unsecured Loans. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the heads of "Other Current Liabilities".

The summary statement of Assets & Liabilities as Restated for the Financial Year ended March 31, 2011, has been reclassified and shown accordingly.

- (e)** Till the financial year ended March 31, 2011; the Company has shown Sundry Creditors under Current Liabilities & Provisions. From the financial year ended March 31, 2012, to meet the criteria of Revised Schedule VI of the Companies Act, 1956, the Company has regrouped the same under the heads of "Trade Payables".

The summary statement of Assets & Liabilities as Restated for the Financial Year ended March 31, 2011, has been reclassified and shown accordingly.

4. SEGMENT REPORTING

Based on the guiding principles given in Accounting Standard on "Segment Reporting" (As-17) issued by the Institute of Chartered Accountants of India, this Accounting Standard is not applicable to the company.

ANNEXURE V												
Restated Standalone Statement of Share Capital of POLSON Limited												
Particulars	As at 31.12.2015		As at 31.3.2015		As at 31.3.2014		As at 31.3.2013		As at 31.3.2012		As at 31.3.2011	
	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)
								I		I		I
Authorised												
50,000 6% Cumulative Redeemable of Rs.100 each	50,000	5,000,000	50,000	5,000,000	50,000	5,000,000	50,000	5,000,000	50,000	5,000,000	50,000	5,000,000
400,000 Equity Shares of Rs. 50 each	400,000	20,000,000	400,000	20,000,000	400,000	20,000,000	400,000	20,000,000	400,000	20,000,000	400,000	20,000,000
Total		25,000,000		25,000,000		25,000,000		25,000,000		25,000,000		25,000,000
Issued, Subscribed and fully Paid												
20,000 Equity Shares against Preference Shares of Rs. 50 each	20,000	1,000,000	20,000	1,000,000	20,000	1,000,000	20,000	1,000,000	20,000	1,000,000	20,000	1,000,000
73,145 Equity Shares of Rs. 50 each issued for cash	73,145	3,657,250	73,145	3,657,250	73,145	3,657,250	73,145	3,657,250	73,145	3,657,250	73,145	3,657,250
5,000 Equity Shares of Rs. 50 each issued pursuant to a contract, without the payment being received in cash	5,000	250,000	5,000	250,000	5,000	250,000	5,000	250,000	5,000	250,000	5,000	250,000
21,855 Equity Shares of Rs. 50 each allotted as Bonus Shares issued by way of Capitalisation of Reserve	21,855	1,092,750	21,855	1,092,750	21,855	1,092,750	21,855	1,092,750	21,855	1,092,750	21,855	1,092,750
Total	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000

Particulars	As at 31.12.2015		As at 31.3.2015		As at 31.3.2014		As at 31.3.2013		As at 31.3.2012		As at 31.3.2011	
	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)
								I		I		I
Equity Shares outstanding at the beginning of the year	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000
Equity Shares Issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Equity Shares bought back during the year	-	-	-	-	-	-	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000	120,000	6,000,000

Details of shares held each shareholder holding more than 5% shares:

Class of Shares/ Name of the Shareholder Equity Shares	As at 31.12.2015		As at 31.03.2015		As at 31.03.2014		As at 31.03.2013		As at 31.03.2012		As at 31.03.2011	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares with voting rights												
AJI Commercial Pvt Ltd (Holding Company)	64,339	53.62%	64,339	53.62%	64,339	53.62%	64,339	53.62%	64,339	53.62%	64,339	53.62%
Mr. Amol J. Kapadia (Managing Director)	12,000	10.00%	12,000	10.00%	12,000	10.00%	12,000	10.00%	12,000	10.00%	12,000	10.00%
Mrs. Sushila J. Kapadia (Director)	12,835	10.69%	12,835	10.69%	12,835	10.69%	12,835	10.69%	12,835	10.69%	10,216	8.51%

ANNEXURE VI						
Restated Standalone Statement of Reserve & Surplus of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a. Share Premium account	2,114,000	2,114,000	2,114,000	2,114,000	2,114,000	-
b. General Reserve	63,327,678	53,696,969	43,875,278	37,407,346	28,827,959	22,200,992
c. Surplus in the Statement of Profit & Loss	437,244,699	382,670,683	327,014,433	288,062,142	239,441,675	201,888,860
d. Capital Reserve	7,446,248	7,446,248	7,446,248	7,446,248	7,446,248	7,446,248
e. Investment Allowance Reserve	108,724	108,724	108,724	108,724	108,724	108,724
Total	510,241,349	446,036,624	380,558,683	335,138,460	277,938,606	231,644,824

ANNEXURE VII						
Restated Standalone Statement of Contingent Liabilities of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Contingent liabilities in respect of :						
Claims against the company not acknowledged as debt				-	-	-
Gaurantees				-	-	-
Other moneys for which the company is contingently liable				-	-	-
Commitments (to the extent not provided for)						
Estimated amount of contracts remaining to be executed on capital account and not provided for				-	-	-
Uncalled liability on shares and other investments partly paid				-	-	-
Other commitments	47,630,583	47,630,583	47,630,583	47,630,583	47,630,583	47,630,582.68
Total	47,630,583	47,630,583	47,630,583	47,630,583	47,630,583	47,630,583

ANNEXURE VIII						
Restated Standalone Statement of Dividend declared/paid of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
Equity Dividend						
Equity shares (In nos)	120,000	120,000	120,000	120,000	120,000	120000
Face Value (Rs.)	50	50	50	50	50	50
Equity Share Capital (Rs.)	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6000000
Rate of Dividend %	0%	0%	0%	0%	0%	0%
Amount of Dividend	0.00	0.00	0.00	0.00	0.00	0.00

ANNEXURE IX								
Restated Standalone Statement of Other Income of POLSON Limited								
Particulars	Amount in Rs.						Nature	
	Period ended	For the years ended					Recurring / non-recurring	Related / Not related to business activity
	Dec 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011		
		Rs.	Rs.	Rs.	Rs.	Rs.		
Cash Discount				-	-	301,089	non-recurring	Related
Sundry Income	621,521	164,318	1,220,998	2,021	3,749	370	recurring	Related
Modvat Credit	12,537,803	15,059,450		34,694,109	30,347,518	18,919,390	recurring	Related
Sales Tax Refund recd	-	-	3,522,127	5,531,869	6,106,664	423,030	recurring	Related
Interest received	16,711,055	33,485,262	14,409,968	11,084,286	7,781,936	5,364,381	recurring	Related
Rent received	7,136,642	8,937,610	11,579,832	8,590,500	9,003,450	8,787,000	recurring	Related
Exchange Difference		-		-			non-recurring	Related
Insurance Claim received		-		-	6,621	-	non-recurring	Related
Maturity of Insurance Policy		-		12,810,000	-	-	non-recurring	Not Related
Duty Drawback Received	10,198,582	11,943,636	11,649,370	1,777,413	-	-	non-recurring	Related
Sale of FPS License	11,493,805							
Profit on Sale of car		44,752		184,207	25,539	115,092	non-recurring	Related
Profit on Sale of Live Stock		-		(241,740)	-	183,340	non-recurring	Related
Profit on Sale of Land		-		13,728,578	-	-	non-recurring	Related
Total	58,699,408	69,635,028	42,382,295	88,161,243	53,275,477	34,093,692		

ANNEXURE X						
Restated Standalone Statement of Accounting Ratios of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Net Worth (A)	516,241,349	452,036,624	386,558,683	341,138,460	283,938,606	237644824
Restated Profit After Tax (B)	64,204,725	65,477,942	45,420,222	57,195,913	44,179,782	60212229
Equity Shares outstanding at the end of the year (C)	120,000	120,000	120,000	120,000	120,000	120000
Weighted average no of Equity Shares at the time of end of the year (D)	120,000	120,000	120,000	120,000	120,000	120000
Weighted average no of Potential Equity Shares for diluted EPS (E)	120,000	120,000	120,000	120,000	120,000	120000
Current Assets (F)	495,396,403	603,784,087	596,069,338	519,158,555	349,474,709	377137883
Current Liability (G)	400,575,373	725,424,496	398,945,161	364,972,985	298,093,795	260259625
EPS (B/D)	535.04	545.65	378.50	476.63	368.16	501.77
Diluted EPS	535.04	545.65	378.50	476.63	368.16	501.77
Return on Net Worth (%) (B/A)	12.44	14.49	11.75	16.77	15.56	25.34
Net Asset Value per share (A/C)	4,302	3,767	3,221	2,843	2,366	1980
Current Ratio (F/G)	1.24	0.83	1.49	1.42	1.17	1.45

ANNEXURE XI		
Restated Standalone Statement of Capitalisation of POLSON Limited		
Particulars	Pre Issue as at 31.12.2015 (Rs.)	Post Issue* (Rs.)
Debts		
Short Term Debts/Deposits	216,546,072	216,546,072
Long Term Debts/Deposit	618,541,136	618,541,136
Total Debts (A)	835,087,208	835,087,208
Equity Share Capital	6,000,000	
Reserve & Surplus		
Securities Premium Account	2,114,000	
Balance in profit or loss as restated	437,244,699	
Balance in General Reserve	63,327,678	
Balance in Capital Reserve	7,446,248	
Balance in Investment Allowance Reserve	108,724	
Shareholders Fund (B)	516,241,349	
Long Term Debt/Shareholder Fund	1.20	
Total Term Debt/Shareholder Fund	1.62	

(*)* Post issue Capitalization Statement assumes that Debt level of the company to be same as that of 31st December, 2015

ANNEXURE XII						
Restated Standalone Statement of Tax Shelters of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
			I	I	I	I
1. Income from Business						
Net Profit/Loss before taxes and extraordinary items as per books*	36,035,886	95,776,288	66,657,224	80,105,609	65,366,660	91,619,520
Tax Rate Applicable %						
Minimum Alternate Taxes (MAT) except SC & SHEC	18.50 %	18.50 %	18.50 %	18.50 %	18.50 %	18.00 %
Tax at Normal Tax Rate	33.06%	32.45%	30.90%	30.90%	30.90%	30.90%
Tax at Normal Tax Rate (A)	6,344,140	28,629,050	21,268,590	21,645,140	20,243,368	31,020,959
Adjustments						
Item considered separately						
Depreciation as per companies act, 1956	22,797,491	21,555,435	25,630,125	25,803,494	20,609,688	14,456,910
Depreciation as per Income Tax Act, 1961	(38,616,017)	(28,698,088)	(27,077,460)	(29,701,002)	(23,511,742)	(15,697,177)
Other adjustments-disallowances	12,415	533,543			1,002,372	82,156
Property Taxes and Maintenance		-			1,664,350	
Rent Income	(7,136,642)	(8,937,610)	(11,579,832)	(8,590,500)	(9,003,450)	(8,787,000)
Provision for Gratuity	-	1,737,811	1,196,810			
Donation	1,101,000	15,000	5,240,000	10,506,420	14,000	152,000
Profit on sale of fixed assets				(13,912,784)		
Total Income from Business	14,194,133	81,982,379	60,066,866	64,211,237	56,141,878	81,826,409
2. Income from House Property						
Rent Received	7,136,642	8,937,610	11,579,832	8,590,500	9,003,450	8,787,000
Less: Municipal Taxes Paid	-	-	-	-	(1,401,010)	-
Net Annual Value	7,136,642	8,937,610	11,579,832	8,590,500	7,602,440	8,787,000
Less: 30% Deduction	(2,140,993)	(2,681,283)	(3,473,950)	(2,577,150)	(2,280,732)	(2,636,100)
Total Income from House Property	4,995,649	6,256,327	8,105,882	6,013,350	5,321,708	6,150,900
Total Income	19,189,782	88,238,706	68,172,749	70,224,587	61,463,586	87,977,309
Less: Deductions under Chapter VIA	-	-	(2,620,000)	(3,511,244)	-	(50,500)
Taxable Income	19,189,780	88,238,710	65,552,750	66,713,340	61,463,590	87,926,810
				21,268,590	21,645,143	
Total Tax Payable	6,344,141	28,629,049			19,941,862	29,207,088
Total Tax Payable (Rounded Off)	6,344,140	28,629,050	21,268,590	21,645,140	19,941,860	29,207,090
Total tax payable as Per MAT	17,783,892					

*Tax Payable as per computation made for provision for tax.

ANNEXURE XIII						
Restated Standalone Statement of Long Term Borrowings/Deposits of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
	I	I	I	I	I	I
Term Loan from Bank (Equitable mortgage of Land, Building, Machinery)	12,500,000	20,000,000	30,000,000	1,363,637	5,454,546	10,909,091
Vehicle Loan from Bank (Secured by 6 Vehicles)	-	815,008	2,380,016	5,447,578	3,248,555	4,089,227
Term Loan Term Loan from Bank (Secured against Ownership Flat at Mumbai)	580,827,136	562,684,972	293,109,415	336,798,360	251,256,142	234,256,196
LIC Loan against the Keyman Insurance Policy	25,214,000	25,214,000	25,214,000	19,258,000	23,533,000	19,988,500
23774 0% Bonds of Rs. 1000 each (Convertible on 25-3-2030)	-	-	23,774,000	23,774,000	23,774,000	23,774,000
Total	618,541,136	608,713,980	374,477,431	386,641,575	307,266,243	293,017,014

Details of terms of repayment for long term borrowings and security provided in respect of the Secured Long Term Borrowings:

Particulars	Terms of repayment and security	AS AT 31-12-2015	AS AT 31-3-2015
Citibank Term Loan - Kagal	Terms of repayment - Repayment is made in 20 equal quarterly installments.	12,500,000	20,000,000
	security - Charge on immovable property at MIDC Kagal, Kolhapur		
Tata capital Fund -Toyota Prado	Terms of repayment - Repayment is made in 60 equal quarterly installments.	0.00	280,888.00
	security - Toyota Prado car		
Housing Loan			
Kotak Mahindra Bank Ltd - A/c No HF 7120468	Terms of repayment - Repayment is made in 120 equal mothly installments.	8,456,891	9,081,783
	Secutiry - Flat No 101, 13th floor, Mount Unique, 62 A, Peddar Road, Mumbai		
Kotak Mahindra Bank Ltd - A/c No lap 1649210	Terms of repayment - Repayment is made in 120 equal mothly installments.	22,281,071	23,663,446
	Secutiry - Flat No 101, 13th floor, Mount Unique, 62 A, Peddar Road, Mumbai		
Kotak Mahindra Bank Ltd - A/c No lap 2012200	Terms of repayment - Repayment is made in 120 equal mothly installments.	25,994,512	27,607,296
	Secutiry - Flat No 101, 13th floor, Mount Unique, 62 A, Peddar Road, Mumbai		
Kotak Mahindra Bank Ltd - A/c No lap 4191097	Terms of repayment - Repayment is made in 120 equal mothly installments.	15,781,054	17,068,666
	Secutiry - Shop No U 31, F 32, F 33, East Court, Sr No 207, Off Nagar Road, Viman Nagar, Pune		
Kotak Mahindra Bank Ltd - A/c No lap 2234506	Terms of repayment - Repayment is made in 60 equal mothly installments.	1,772,685	5,550,882

	Security:- 1) Unit No.502,503,504 B Town Centre, Andheri. 2) Unit No. 01, Ground Floor, Town Centre Andheri 3) 10th & 11th Floor Belveder, Ghorpadi Village,Pune 4) Flat 101, Mount Unique Pedder Road, Mumbai 5) B-202 Kanti Apartments, Mount Mary Road Bandra Mumbai		
Kotak Mahindra Bank Ltd - A/c No lap 412803	Terms of repayment - Repayment is made in 120 equal mothly installments.	4,092,051	4,407,076
	Secutiry - Shop No U 31, F 32, F 33, East Court, Sr No 207, Off Nagar Road, Viman Nagar, Pune		
Kotak Mahindra Bank Ltd - A/c No lap 716272	Terms of repayment - Repayment is made in 120 equal mothly installments.	0.00	0
	Secutiry - Kanti Apartment, Flat No B 202 , Bandra (W), Mumbai		
Kotak Mahindra Bank Ltd - A/c No lap 1563288	Terms of repayment - Repayment is made in 120 equal mothly installments.	8,827,889	9,367,466
	Secutiry - Bldg No 1, 10th & 11th Floor, 65 No, Clover Belveder, Ghorpadi Village, Haveli, Pune		
Kotak Mahindra Bank Ltd - A/c No lap 1564795	Terms of repayment - Repayment is made in 120 equal mothly installments.	18,880,923	20,296,264
	Secutiry - Unit No 1 & 101 Town Centre II, Andheri, Mumbai		
Kotak Mahindra Bank Ltd - top up	Terms of Repayment. Repayment is made in 120 equal monthly installments.		
	Security- Flat no.101, 13 th Floor, Mount Unique, 62 A Peddar road, Mumbai.	12,019,699	12,680,020
Kotak Mahindra Bank Ltd - A/c No.lap 7501139	Terms of Repayment. Repayment is made in 120 equal monthly installments.		

	Unit No 1, 101 % 507 Town Centre 1, Andheri (W), Mumbai	79,729,719	84,995,000
Edelweiss Housing Finance Ltd -6367	Terms of repayment - Repayment is made in 241 equal mothly installments.		
	Security - Flat No 1201, C wing, Evershine Cosmic , Oshiwara. Mumbai	14,714,004	14,890,272
Kotak Bank Loans - LAP 17516517, 17528090,17530643,17555 514	Terms of repayment - Repayment is made in 120 equal mothly installments.		
	Security - RS No 206/47, A/c Block No 2 of Pammal Village, Plot No 10 & 43, Loordhu Madha Street, Nagelkeni, Chennai. Unit No. 18, Basement Floor, Mount Unique CHSL, Dr. GD Marg , Mumbai. Lodha Costeria, 24, Napean Sea Road, Mumbai.	268,707,984	276,296,552
Kotak Bank Loans - LAP	Runwal centre	44,096,599	0
Standard Chartered Bank Ltd	Terms of repayment - Repayment is made in 144 equal mothly installments.		
	Secutiry - 114, 15th Floor, Mount Unique, 62 A, Peddar Road, Mumbai	55,472,052	56,780,250
LIC Loan - Keyman Insurance policy	Terms of repayment - Repayment is made in 144 equal mothly installments.		
	Security - Keyman Insurance Policy No 881544269 & 881199735	25,214,000	25,214,000

ANNEXURE XIV						
Restated Standalone Statement of Short Term Borrowings/Deposits of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Cash Credit & Packing Credit with Bank	141,002,270	153,862,098	158,473,055	154,415,001	158,582,858	98,070,571
Export Bills Discounted/ Purchased by Bank	64,085,168	59,134,678	58,956,021	36,690,104	19,479,349	8,609,043
Over Draft Facility with Kotak Mahindra Bank Ltd	11,458,634	86,792,168				
(All above are secured by hypothecation of stock of Raw Materials. Chemicals, Finished Goods, book-debts and equitable mortgage of land and building by deposit of title deeds.)						
Total	216,546,072	299,788,944	217,429,076	191,105,105	178,062,207	106,679,614

ANNEXURE XV						
Restated Standalone Statement of Long Term Provisions and Other Long Term Liabilities of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
		Rs.	Rs.	Rs.	Rs.	Rs.
A. Other Long term Liabilities			-	-	-	-
B. Long term Provisions	2,142,314	1,737,811	1,196,810	-	-	-

ANNEXURE XVI							
Restated Standalone Statement of Related Party Disclosures in accordance with AS - 18 issued by the ICAI							
List of related parties & relationships, where control exists.							
Nature of Relationship			Name of Parties				
Holding Company			AJI Commercial Pvt. Ltd.				
Fellow Associates			AJI Investment Pvt. Ltd.				
			AJK Investment Pvt. Ltd.				
			Oriental Pharmaceuticals Ind. Ltd.				
			New Commercial Investment & Trading Ltd				
			New Commercial Mills Ltd.				
			Lotus Mills Ltd				
Key Management Personnel			Mr. Amol Kapadia - Managing Director				
Relatives of Key Management Personnel			Mrs. Sushila J. Kapadia - Chairman				
Enterprises where Significant Influence exist by Key Management Personnel			Europa Chemicals Pvt. Ltd.				
Transactions with Related Parties			B.K.Giulini Specialities Pvt. Ltd.				
Transactions	Name of the Related Party	Amount in Rs.					
		Period ended 31.12.2015	F.Y.2014-15	F.Y.2013-14	F.Y.2012-13	F.Y.2011-12	F.Y.2010-11
Remuneration	Mr. Amol Kapadia - Managing Director	6,750,000	9,000,000	9,000,000	7,600,000	4,800,000	3,000,000
Purchase of Goods	B.K.Giulini Specialities Pvt. Ltd.	3,285,085					
Sale of Goods	B.K.Giulini Specialities Pvt. Ltd.	188,748,868	307,851,328	316,172,731	245,456,622	256,948,860	244,091,993
	Europa Chemicals Pvt. Ltd.	12,273,089	16,535,491	18,172,165	13,364,611	8,624,158	-
Trade Receivable	B.K.Giulini Specialities Pvt. Ltd.	27,760,720	35,685,340	30,416,544	-	17,531,590	17,596,172
	Europa Chemicals Pvt. Ltd.	4,599,548	1,559,371	(1,405,185)	385,036	257,591	-
Trade Payable	B.K.Giulini Specialities Pvt. Ltd.	9,652,076					
Loan and advances given	AJI Investment Pvt. Ltd.	4,800,000	13,800,000	13,800,000	9,500,000	7,200,000	9,500,000
	Europa Chemicals Pvt. Ltd.	4,700,000	4,700,000	28,500,000	28,500,000	23,500,000	37,500,000
	Lotus Mills Ltd		2,400,000	2,400,000	240,000	4,100,000	4,100,000
	Oriental Pharmaceuticals Ind. Ltd.	2,400,000	0				
	Oriental Pharmaceuticals Ind. Ltd.(Rental Deposit)	100,000,000					
	Dudhwala Builders Pvt Ltd.	-	280,475,397	158,213,305	183,876,665	105,015,446	73,589,500
	AJK Investment Pvt. Ltd.	4,800,000	4,800,000	4,800,000	3,500,000	-	3,500,000
Loans and advances taken	AJI Investment Pvt. Ltd.	-	-	11,163,284	6,325,000	3,900,000	7,400,000
	New Commercial Mills Ltd.	-	-	11,663,000	9,363,000	4,100,000	4,100,000
	New Commercial Investment & Trading Ltd	-	-	2,370,000	2,670,000	320,000	300,000
	AJI Investment Pvt. Ltd.	-	-	-	12,407,284	-	12,400,000
	Oriental Pharmaceuticals Ind. Ltd.	-	-	14,312,000	13,837,000	37,574,000	8,800,000
	Mr. Jagdish J. Kapadia - Chairman	-	-	1,000,000	900,000	900,000	900,000
	Mrs. Sushila J. Kapadia - Directors	-	-	1,298,000	11,060,000	2,500,000	2,875,000
	Mr. Amol Kapadia - Managing Director	-	-	-	3,606,163	280,966	-
	AJI Commercial Pvt Ltd	-	-	450,000			
	Europa Chemicals Pvt. Ltd.	-	-	8,400,000	5,900,000	5,000,000	5,000,000
Interest Paid	Mrs. Sushila J. Kapadia - Directors	-	186,554	881,432	1,144,090	301,799	84,164
	ROI (%)		10	10	10	10	11
	Oriental Pharmaceuticals Ind. Ltd.	-	1,024,384	1,272,918	1,169,083	1,006,589	876,985
	ROI (%)		10	10	10	8	11
	Lotus Mills Ltd				-	-	-
	ROI (%)				-	-	-
	New Commercial Mills Ltd.		1,107,985	949,736	501,312	433,362	246,849
	ROI (%)		10	10	10	8	11
	Mr. Amol Kapadia - Managing Director		-	542,208	237,395	-	-
	ROI (%)			10	10	-	-
	AJI Investment Pvt. Ltd.		898,486	1,270,128	1,670,256	792,167	790,003
	ROI (%)		10	10	10	10	10
	AJK Investment Pvt. Ltd.		-	1,092,572	489,439	742,026	739,998
	ROI (%)			10	10	10	10
	New Commercial Investment & Trading Ltd	9,342	251,358	271,099	122,785	33,826	29,207
	ROI (%)		11	11	11	8	11
	Mr. Jagdish J. Kapadia - Chairman		31,752	88,362	78,642	95,128	33,361
	ROI (%)		10	10	10	8	11
	Europa Chemicals Pvt. Ltd.		839,996	819,448	554,495	501,372	445,207
	ROI (%)		10	10	10	10	10
	AJI Commercial Pvt. Ltd.		42,752	21,576	-	-	-
	ROI (%)		10	10	-	-	-
Rent Paid	Oriental Pharmaceuticals Ind. Ltd.	25,600,000	90,000	90,000	90,000	90,000	90,000
	Mrs. Sushila J. Kapadia - Director	18,000	24,000	24,000	24,000	24,000	24,000
	Europa Chemicals Pvt. Ltd.	67,500	90,000	90,000	223,200	298,000	162,000
	Oriental Pharmaceuticals Ind. Ltd.	67,500					
	Mr. Amol Kapadia - Managing Director	1,800,000	2,400,000	2,424,000	1,024,000	-	810,000
	AJK Investment Pvt. Ltd.	45,000					
	AJI Investment Pvt. Ltd.	45,000	-	-	-	-	846,000

ANNEXURE XVII						
Restated Standalone Statement of Long Term Loans and Advances and Other Non Current Assets of POLSON Limited						
Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
	I	I	I	I	I	I
A. Long Term Loans and Advances						
Advances to Wholly owned Subsidiary Company	-	284,112,233	158,213,305	183,876,665	105,015,446	73,589,500
Advance for purchase of Property	66,806,495	25,862,473	64,694,231	34,672,210	79,194,266	33,827,912
Advance for Capital Expenditure	4,066,640	3,189,185	1,842,925	1,755,758	1,633,878	-
Deposits	125,540,000					
Advance Tax (Net of Provision)	-	(741,510)	2,320,714	6,948,406	-	-
Total of Long Term Loans and Advances (A)	196,413,135	312,422,381	227,071,175	227,253,039	185,843,590	107,417,412
B. Other Non Current Assets				-	-	-
Total of Other Non Current Assets (B)				-	-	-

Amounts given to Directors / Promoters / Promoters Group Companies / Relatives of Promoters / Relatives of Directors/ Subsidiary Company

Particulars	Amount in Rs.					
	As at 31.12.2015	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011
	I	I	I	I	I	I
Dudhwala Builders Pvt. Ltd. (Subsidiary Company)	-	284,112,233	158,213,305	183,876,665	105,015,446	73,589,500

FINANCIAL INFORMATION OF THE GROUP COMPANY

The information for the last 3 years based on the audited statements in respect of five listed group companies, irrespective of whether these are covered under section 370(1) (B) of the Companies Act, 1956 or not is given hereunder:

1) M/s AJI Commercial Private Limited

The Company was incorporated as a Private Limited Company on April 24, 1992. Its Company Identification No. is U51900MH1992PTC066518.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of investing in long term and short term shares and securities of other companies. The present registered office of the Company is situated at Cambatta Building, 3rd Floor, South-West Wing, 42, M. Karve Road, Churchgate, Mumbai- 400002.

Financial Performance

Particulars	(Amount in Rs.)		
	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	5,00,000	5,00,000	5,00,000
Paid up Equity Capital	5,00,000	5,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves and including carried forward debit balance of Profit & Loss Account)	16,77,586	16,65,072	(1,45,016)
Sales/Total Income	42,962	21,976	1,000
Profit/(Loss) after Tax (PAT)	12,502	10,088	(5,655)
Earning per Share (In Rs.)	12.50	10.09	(5.66)
Diluted Earnings per Share (In Rs.)	12.50	10.09	(5.66)
NAV per Equity Share (Face Value of Rs. 100 each) (In Rs.)	435.51	433.01	(45.02)

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of AJI Commercial Private Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.

Information regarding significant adverse factors related to the group companies:

- (i) AJI Commercial Private Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) AJI Commercial Private Limited has made a loss in the immediately preceding year.

AJI Commercial Private Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from AJI Commercial Private Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

AJI Commercial Private Limited does not have business interests in Polson Limited except for as provided

in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

2) M/s Oriental Pharmaceutical Industries Limited

The Company was incorporated as a Public Limited Company on March 11, 1941. Its Company Identification No. is U24239MH1941PLC003286.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of manufacturing, buying, selling, importing, exporting or otherwise dealing in pharmaceutical and medical and medical products and preparations of all kinds. The present registered office of the Company is situated at Factory Premises, Off Polson Ltd., Ambaghat, Vishalga - 415101, Maharashtra.

Financial Performance

(Amount in Rs.)			
Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	9,00,000	9,00,000	9,00,000
Paid up Equity Capital	6,42,000	6,42,000	6,42,000
Reserves & Surplus (excluding revaluation reserves)	52,18,84,231	9,91,45,902	9,79,60,841
Sales/Total Income	42,85,70,506	13,55,332	12,93,892
Profit/(Loss) after Tax (PAT)	42,27,38,329	7,05,313	5,67,570
Earning per Share (In Rs.)	65,847.09	109.86	88.41
Diluted Earning per Share (In Rs.)	65,847.09	109.86	88.41
NAV per Equity Share (Face Value of Rs. 100 each) (In Rs.)	81,390.37	15,543.29	15,358.70

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of Oriental Pharmaceutical Industries Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.

Information regarding significant adverse factors related to the group companies:

- (i) Oriental Pharmaceutical Industries Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) Oriental Pharmaceutical Industries Limited has not made a loss in the immediately preceding year.

Oriental Pharmaceutical Industries Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from Oriental Pharmaceutical Industries Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

Oriental Pharmaceutical Industries Limited does not have business interests in Polson Limited except for

as provided in the section "Related Party Transactions" on pages 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

3) M/s The New Commercial Mills Company Limited

The Company was incorporated as a Public Limited Company on December 21, 1927. Its Company Identification No. is U99999MH1952PLC214186.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of cotton spinners and doublers; wool, silk, flax, jute and hemp spinners and doublers; linen manufacturers, cotton flax, hemp, jute, and wool merchants, wool combers, worsted spinners, wollen spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers and makers of vitriol bleaching and dyeing materials; and to purchase, sell comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk, and other fibrous substances; and to weave or otherwise manufacture, buy and sell, deal in linen, cloth and other goods and fabrics whether textile, fribled knitted or looped and to supply power. The present registered office of the Company is situated at OPIL Compound, 64/66, Senapati Bapat Marg, Mahim, Mumbai – 400 016, Maharashtra.

Financial Performance

Particulars	(Amount in Rs.)		
	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,15,00,000	1,15,00,000	1,15,00,000
Paid up Equity Capital	1,03,87,850	1,03,87,850	1,03,87,850
Reserves & Surplus (excluding revaluation reserves)	1,04,64,650	1,02,58,118	97,54,142
Sales/Total Income	11,09,035	10,25,205	5,94,362
Profit/(Loss) after Tax (PAT)	6,30,023	5,20,053	2,48,275
Basic Earning per Share Rs. 100Equity Share (In Rs.)	3.03	2.50	-
Diluted Earning per Share Rs. 100Equity Share (In Rs.)	3.03	2.50	-
Earning per Share Rs. 50 Equity Share (In Rs.)	-	2.50	1.20
Earning per Share Rs. 25 Equity Share (In Rs.)	-	1.25	0.60
Diluted Earning per Share Rs. 50 Equity Share (In Rs.)	-	2.50	1.20
Diluted Earning per Share Rs. 25 Equity Share (In Rs.)	-	1.25	0.60
NAV per Equity Share – Rs. 50 Equity Share (In Rs.)	-	100.59	98.13
NAV per Equity Share – Rs. 25 Equity Share (In Rs.)	-	49.69	48.47

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of The New Commercial Mills Company Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.

Information regarding significant adverse factors related to the group companies:

- The New Commercial Mills Company Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- The New Commercial Mills Company Limited has not made a loss in the immediately preceding year.

The New Commercial Mills Company Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from The New Commercial Mills Company Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

The New Commercial Mills Company Limited does not have business interests in Polson Limited except for as provided in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

4) M/s AJI Investment Private Limited

The Company was incorporated as a Private Limited Company on February 05, 1998. Its Company Identification No. is U65990MH1998PTC113410.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of investing, acquiring, holding, selling, exchanging and dealing in shares, stocks, bonds, debentures etc. The registered office of the Company is located at Cambatta Building, 3rd Floor, South West Wing, 42, M.Karve Road, Churchgate, Mumbai – 400 020, Maharashtra.

Financial Performance

Particulars	(Amount in Rs.)		
	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,00,000	1,00,000	1,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	2,47,15,760	1,31,01,455	1,00,25,835
Sales/Total Income	1,65,53,909	51,69,255	54,83,322
Profit/(Loss) after Tax (PAT)	1,16,45,770	30,79,392	29,02,897
Earning per Share (In Rs.)	1,164.58	307.94	290.29
Diluted Earning per Share (In Rs.)	1,164.58	307.94	290.29
NAV* per Equity Share (Face Value of Rs. 10 each) (In Rs.)	2,521.57	1,320.15	1,012.58

**Note- We have not considered the following as a part of Equity for the purpose of calculation of NAV:*

1. 40,000 Non- Cumulative 4% optionally Redeemable preference shares of Rs. 10 issued at a premium of Rs. 90 each, convertible into 40,000 Equity Shares of Rs. 10 each.
2. 60,000 (0% convertible Bonds of Rs. 100 each) convertible at the end of 30 years from the date of allotment i.e. June 09, 1998 with an option to the Bond holder by giving 3 months notice to the date of encashment to receive cash with a premium of 5% on the face value of Bond.

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of AJI Investment Private Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.**Information regarding significant adverse factors related to the group companies:**

- (i) AJI Investment Private Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) AJI Investment Private Limited has not made a loss in the immediately preceding year.

AJI Investment Private Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years

preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from AJI Investment Private Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to pages 123-124 and 145-146 of this Letter of Offer.

AJI Investment Private Limited does not have business interests in Polson Limited except for as provided in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

5) M/s AJK Investments Private Limited

The Company was incorporated as a Private Limited Company on February 17, 1998. Its Company Identification No. is U65993MH1998PTC113608.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of investing, acquiring, holding, selling, exchanging and dealing in shares, stocks, bonds, debentures etc.. The registered office of the Company is located at Cambatta Building, 3rd Floor, South West Wing, 42, M.Karve Road, Churchgate, Mumbai – 400 020, Maharashtra.

Financial Performance

Particulars	(Amount in Rs.)		
	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,00,000	1,00,000	1,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	3,49,94,570	3,14,90,654	2,76,33,430
Sales/Total Income	62,24,858	64,65,587	50,02,382
Profit/(Loss) after Tax (PAT)	35,03,916	41,00,008	22,62,497
Earning per Share (In Rs.)	350.39	410.00	226.25
Diluted Earning per Share (In Rs.)	350.39	410.00	226.25
NAV per Equity Share (Face Value of Rs. 10 each)(In Rs.)	3509.45	3,159.06	2,773.34

**Note- We have not considered the following as a part of Equity for the purpose of calculation of NAV:*

- 1. 80,000 Non- Cumulative 4% optionally Redeemable preference shares of Rs. 10 issued at a premium of Rs. 90 each, convertible into 40,000 Equity Shares of Rs. 10 each.*
- 2. 60,000 (0% convertible Bonds of Rs. 100 each) convertible at the end of 30 years from the date of allotment i.e. June 09, 1998 with an option to the Bond holder by giving 3 months notice to the date of encashment to receive cash with a premium of 5% on the face value of Bond.*

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of AJK Investments Private Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.

Information regarding significant adverse factors related to the group companies:

- AJK Investments Private Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;

(ii) AJK Investments Private Limited has not made a loss in the immediately preceding year.

AJK Investments Private Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from AJK Investments Private Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

AJK Investments Private Limited does not have business interests in Polson Limited except for as provided in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

6) M/s Coriander Homes Limited Liability Partnership.

M/s Coriander Homes Limited Liability Partnership, has been established on December 18, 2014. The Fixed Capital of the LLP is Rs. 1,00,000/- (Rupees One Lacs only) being the amount converted from share capital of Coriander Homes Private Limited ("CHPL") as detailed below:-

S.No.	Name of the Partner	Capital Contribution (Rs.)
1.	Sushila Jagdish Kapadia	80,000
2.	Amol Jagdish Kapadia	20,000
	TOTAL	1,00,000

Brief Description of Business:

The registered office of M/s Coriander Homes LLP is located at 109, Mount Unique, G Deshmukh Marg, Pedder Road, Mumbai – 400 026, Maharashtra. Business to be transacted by LLP is mentioned as follows:-

4. To carry on in India or elsewhere the business of builders, developers, contractors, designers, decorators, furnishers, consultants, instructors, erectors, construction and brokers of all types of buildings and structures including houses, residential flats, apartments, structures or residential, offices, godowns, warehouses, shops, factories, sheds, hospitals, hotels, holiday resorts, shopping malls, industrial, institutional or commercial complexes, or developers of co-operative housing societies, developers of housing schemes, townships, motels, guest houses, software technology parks, information technology parks, electric hardware technology parks, industrial parks, special economic zones, free trade zones, multiplex theatres, & to develop, erect, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sale, lease, let on hire, commercialize, turn to account, fabricate, handle and control, all such buildings and structure and to purchase, sale and deal in all types of movable and immovable property for development, investment, or for re-sale and to act as buyer, seller, importer, exporter, agent, distributor, stockist or otherwise, in all types of raw materials, goods, fittings, parts, accessories, know-how, consumables, plants and machineries, tools, tackles used for foregoing purposes and in particular preparing 9+ of building sites, developing, constructing, reconstructing, erecting, altering, improving, enlarging, developing, decorating, furnishing, demolishing, reconstructing, administering & replacing, maintaining and managing of structures, flats, houses, factories, shops, offices, garages, warehousing, buildings, works, workshops, halls, hospital, mills, tenements, chawls, nursing homes, clinics, godowns & other commercial, educational purposes & conveniences.
5. To invest surplus funds of the LLP from time to time, in deposits, units, Government Securities or in other securities, including shares, bonds and debentures, and sell or vary such investment and to execute all assignments, transfers, receipts and such documents that may be necessary in that behalf.
6. To do the business as buyers, sellers, traders, resellers, hires, importers, exporters, dealers, agents, distributors, repairers, stores, warehouses of any goods, articles or things or merchandise, licenses.

Financial Performance**(Amount in Rs.)**

Particulars	31.03.2015	31.03.2014
Partner's Capital	1,00,00,000	-
Reserves & Surplus	62,44,335	-
Revenue from operations	-	-
Other Income	93,29,380	-
Total Expenses	59,862	-
Profit/(Loss) before Tax (PAT)	92,69,518	-
Tax Expense	30,25,183	-
Diluted Earnings per Share (In Rs.)	-	-
NAV per Equity Share (Face Value of Rs. 10 each)(In Rs.)	-	-

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

Not Applicable

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI. Not Applicable

M/s Coriander Homes LLP has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI. Not Applicable

The Promoters have not disassociated themselves from M/s Coriander Homes LLP during the three years preceding the date of filing the offer document. Not Applicable

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

M/s Coriander Homes LLP does not have business interests in Polson Limited except for as provided in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

8) M/s Europa Chemicals Private Limited

The Company was incorporated as a Private Limited Company on May 24, 2004. Its Company Identification No. is U24100MH2004PTC146496.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of manufacturing, producing, processing of organic, inorganic, industrial, laboratory, photographic, fine biological, pathological, pharmaceutical and other chemicals. The registered office of the Company is located at Cambatta Building, 3rd Floor, South West Wing, 42, M.Karve Road, Churchgate, Mumbai – 400 020, Maharashtra.

Financial Performance

(Amount in Rs.)

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	5,00,000	5,00,000	5,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	18,40,025	14,04,459	6,77,911
Sales/Total Income	1,67,66,985	2,06,00,641	1,45,38,688
Profit/(Loss) after Tax (PAT)	5,10,952	7,28,128	2,40,801
Earning per Share (In Rs.)	51.10	72.81	24.08
Diluted Earning per Share (In Rs.)	51.10	72.81	24.08
NAV* per Equity Share (Face Value of Rs. 10 each)(In Rs.)	194.01	150.44	77.64

* NAV per equity share has been calculated after deducting Miscellaneous Expenditure to the extent not written off as appearing in the Balance Sheet of respective years.

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of Europa Chemicals Private Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.

Information regarding significant adverse factors related to the group companies:

- (i) Europa Chemicals Private Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) Europa Chemicals Private Limited has not made a loss in the immediately preceding year.

Europa Chemicals Private Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from Europa Chemicals Private Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

Europa Chemicals Private Limited does not have business interests in Polson Limited except for as provided in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

9) M/s New Commercial Investment and Trading Co Limited

The Company was incorporated as a Public Limited in the name and style of Devkaran Nanjee Investment Company Limited on February 15, 1943. Subsequently the name of the Company was changed to its present name and a fresh certificate of incorporation consequent upon change of name dated December 05, 1973 was issued by the Registrar of Companies, Maharashtra, Bombay. Its Company Identification No. is U67120MH1943PLC003840.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was

formed with the object of pursuing business of investment company and to buy, underwriting, investing, acquiring and holding shares, stocks, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere.. The registered office of the Company is located at Factory Premises of Polson Ltd., Ambaghat, Vishalgad 415101, Maharashtra.

Financial Performance

(Amount in Rs.)

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,25,00,000	1,25,00,000	1,25,00,000
Paid up Equity Capital	25,00,000	25,00,000	25,00,000
Reserves & Surplus (excluding revaluation reserves)	7,54,887	6,21,789	4,30,038
Sales/Total Income	2,57,713	2,85,126	20,26,534
Profit/(Loss) after Tax (PAT)	1,30,420	1,94,341	15,84,094
Earning per Share (In Rs.)	1.30	1.94	15.84
Diluted Earning per Share (In Rs.)	1.30	1.94	15.84
NAV per Equity Share (Face Value of Rs. 5 each) (In Rs.) [#]	6.50	6.24	29.30

[#]The face value of the Equity Shares was reduced to Rs. 5 per Equity Share from Rs. 25 per Equity Share during April 2013

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of New Commercial Investment and Trading Co Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.

Information regarding significant adverse factors related to the group companies:

- New Commercial Investment and Trading Co Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- New Commercial Investment and Trading Co Limited has not made a loss in the immediately preceding year.

New Commercial Investment and Trading Co Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from New Commercial Investment and Trading Co Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

New Commercial Investment and Trading Co Limited does not have business interests in Polson Limited except for as provided in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

10) M/s RUK Chemicals Private Limited

The Company was incorporated as a Private Limited Company on June 16, 2009. Its Company

Identification No. is U24100MH2009PTC193343.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of manufacturing, producing, processing of organic, inorganic, industrial, laboratory, photographic, fine biological, pathological, pharmaceutical and other chemicals. The registered office of the Company is located at 109, Mount Unique, G Deshmukh Marg, Pedder Road, Mumbai – 400 026, Maharashtra.

Financial Performance**(Amount in Rs.)**

Particulars	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	5,00,000	5,00,000	5,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves and including carried forward debit balance of Profit & Loss Account)	(2,43,171)	(1,79,900)	(1,43,446)
Sales/Total Income	-	-	-
Profit/(Loss) after Tax (PAT)	(63,271)	(36,454)	(74,699)
Earning per Share (In Rs.)	(6.33)	(3.65)	(7.47)
Diluted Earning per Share (In Rs.)	(6.33)	(3.65)	(7.47)
NAV* per Equity Share (Face value of Rs. 10 each) (In Rs.)	(14.31)	(8.57)	(5.51)

* NAV per equity share has been calculated after deducting unamortized share issue expenses/ Miscellaneous Expenditure to the extent not written off as appearing in the Balance Sheet of respective years.

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of RUK Chemicals Private Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.

Information regarding significant adverse factors related to the group companies:

- (i) RUK Chemicals Private Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) RUK Chemicals Private Limited has made a loss in the immediately preceding year.

RUK Chemicals Private Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from RUK Chemicals Private Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

RUK Chemicals Private Limited does not have business interests in Polson Limited except for as provided in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

11) M/s Polson Butter Private Limited

The Company was incorporated as a Private Limited Company on December 02, 2010. Its Company Identification No. is U15203MH2010PTC210523.

Brief Description of Business:

As per the main objects stated in the Memorandum of Association of the Company, the Company was formed with the object of pursuing business of manufacturer, producers, processors, makers, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in cheese, yogurt, butter, margarine, cream, paneer, milk, condensed milk, powder milk, skimmed milk. The registered office of the Company is located at 109, Mount Unique, G Deshmukh Marg, Pedder Road, Mumbai – 400 026, Maharashtra.

Financial Performance

Particulars	(Amount in Rs.)		
	31.03.2015	31.03.2014	31.03.2013
Authorised Equity Capital	1,00,000	1,00,000	1,00,000
Paid up Equity Capital	1,00,000	1,00,000	1,00,000
Reserves & Surplus (excluding revaluation reserves)	(54,000)	(41,080)	(27,960)
Sales/Total Income	-	-	-
Profit/(Loss) after Tax (PAT)	(12,920)	(13,120)	(9,320)
Earning per Share (In Rs.)	(1.29)	(1.31)	(0.93)
Diluted Earning per Share (In Rs.)	(1.29)	(1.31)	(0.93)
NAV* per Equity Share (Face value of Rs. 10 each) (In Rs.)	-	-	6.34

* NAV per equity share has been calculated after deducting unamortized share issue expenses /Miscellaneous Expenditure to the extent not written off as appearing in the Balance Sheet of respective years

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

The shares of Polson Butter Private Limited are not listed and it has never come out with an IPO or a Rights Issue in the past.

There have been no changes in capital structure during the six months preceding the date of filing of this Letter of Offer with SEBI.

Information regarding significant adverse factors related to the group companies:

(iii) Polson Butter Private Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;

(iv) Polson Butter Private Limited has not made a loss in the immediately preceding year.

Polson Butter Private Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing offer document with the SEBI.

The Promoters have not disassociated themselves from Polson Butter Private Limited during the three years preceding the date of filing the offer document.

Common Pursuits

For details of related business transactions within the group kindly refer to page 120 of the Letter of Offer.

The related business transactions within the group and their significance on the financial performance of the issuer.

For details of related business transactions within the group kindly refer to page 120 of this Letter of Offer.

Polson Butter Private Limited does not have business interests in Polson Limited except for as provided in the section "Related Party Transactions" on page 120 of this Letter of Offer.

These transactions have no significant impact on Polson Limited.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the accounting policies of Polson Limited in the last three years except as mentioned below.

Nil

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is the discussion of the financial condition and results of operations together with the Company's audited restated consolidated and standalone financial statements for the fiscal years ended March 31, 2011, 2012, 2013, 2014 and 2015 including the significant accounting policies and notes thereto and reports thereon which appear elsewhere in this Letter of Offer. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and as required under the SEBI Regulations.

Unless indicated otherwise, the financial data in this section is derived from the Company's restated consolidated and standalone financial statements prepared in accordance with Indian GAAP and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and included in this Letter of Offer. The Company's fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the 12 month period ended March 31 of that year. This discussion contains forward-looking statements that involve risks and uncertainties. The actual results may differ from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Letter of Offer, particularly under "Risk Factors" beginning on page no. Viii of this Letter of Offer.

i. OVERVIEW OF THE BUSINESS OF THE COMPANY

The Company is currently engaged in the manufacture and sale of vegetable tannin materials and leather chemicals to leather industries in India and internationally. The Company offers vegetable tannin extracts, as well as organic and inorganic chemicals. Polson also exports its products internationally. The corporate office of the company located is headquartered in Mumbai and its manufacturing units are located at Kolhapur in Maharashtra.

ii. SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

The Company has received consent of the shareholders of the Company inter-alia for sale and transfer of 1010 Equity Shares of Rs. 100 each, 418 0% Un-secured Compulsory Convertible Non-Redeemable Debentures and assign its un-secured loans of Rs. 21,22,12,732/- in its wholly owned subsidiary M/s Dudhwala Builders Private Limited to M/s Oriental Pharmaceutical Industries Limited. The consent of the shareholders was obtained by resolution passed through postal ballot, the results of which were declared on March 18, 2015. Accordingly, M/s Dudhwala Builders Private Limited has ceased to be a subsidiary of the Company. Apart from the material development mentioned above, in the opinion of the Board of Directors of the Company, there have not arisen any circumstances since March 31, 2014 which materially and adversely affect, or are likely to materially and adversely affect, the Company's business or the profitability of the Company, or the value of the assets, or the Company's ability to pay its liabilities within the next 12 months.

iii. FACTORS AFFECTING THE COMPANY'S RESULTS OF OPERATIONS

Several factors influence the Company's results of operations, financial condition and cash flow significantly. The key factors affecting its operations include:

1. Fluctuation and increase in raw material prices.
2. Government Regulations and Policies.
3. Pace of Economic growth.
4. Global economic, political and social conditions.
5. Supply of power, IT infrastructure, telecom lines.

For more information on these and other factors/developments, which have or may affect the Company, please refer to the section titled "Risk Factors" beginning on page no. viii and the section titled "Business Overview" on page no. 48 of this Letter of Offer.

Critical Accounting Policies

Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting standards notified under the companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the

Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1 April, 1996, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statement are consistent with those followed in the previous years.

Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Inventories

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. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Depreciation and amortization

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

Leasehold land is amortised over the duration of the lease

Assets costing less than Rs.5,000 each are fully depreciated in the year of capitalization

Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

The Company revalued all its fixed assets that existed on 1 April, 1996. The revalued assets are carried at

the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation / impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed / utilised.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Foreign currency transactions and translations

Initial recognition:

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date:

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.

Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

Market values of Vallabh Glass Works(4,000 Shares at Book value Rs. 10 each) are not available as shares are not listed on security market. Hence in the absence of fair market values on balance sheet dates, cost of investment is considered as market value.

Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity and performance bonus.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

The Company does not have Gratuity Fund System; however, Gratuity and Bonus to staff are accounted on cash basis or provided at the time of retirement.

Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating the diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

Taxes on income

"Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

SUMMARY AND COMPARISON OF SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE OF THE COMPANY:

The following table sets forth selected financial data from our restated standalone profit and loss accounts for financial years ended March 31, 2015, 2014 and 2013:

Amount in Rs. Lacs

Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014		Year Ended 31.03.2013	
	Amount	Percent	Amount	Percent	Amount	Percent
Revenue from Operations (Net of Excise duty)	10390.54	93.72	9,699.95	95.81	8,267.81	90.36
Other Income	696.35	6.28	423.82	4.19	881.61	9.64
Total Revenue	11086.89	100.00	10,123.78	100.00	9,149.42	100.00
Cost of Materials	6997.96	63.11	6,222.11	61.46	6,131.68	67.02
Changes in the Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(168.98)	(1.52)	124.65	1.23	(413.85)	(4.52)
Employee Benefits Expenses	451.36	4.07	390.42	3.86	368.66	4.03
Finance Cost	757.17	6.82	731.66	7.23	640.90	7.00
Other expenses	1876.06	16.92	1,732.06	17.11	1,362.94	14.90
Depreciation and amortization expenses	215.55	1.94	256.30	2.53	258.03	2.82
Total	10129.15	91.36	9,457.20	93.42	8,348.36	91.24
Profit before Tax	957.74	8.63	666.57	6.58	801.06	8.76
Current Tax	280.54	2.53	212.69	2.10	216.45	2.37
Deferred tax charge /(credit)	22.42	0.20	(0.32)	(0.00)	12.65	0.14
Profit for the period	654.77	5.90	454.20	4.49	571.96	6.25

COMPARISON OF FIGURES OF THE MAJOR HEADS OF THE STANDALONE PROFIT AND LOSS STATEMENT

(BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS)

Comparison of Fiscal Year 2014-15 with Fiscal Year 2013-14

Sales (Net)

The Net Sales accounted for Rs. 10390.54lacs during the year 2014-15 as compared to Rs. 9,699.95 lacs during the year 2013-14 and increased by 7.12%. It accounted for 95.81% of the total income in the FY 2013-14 as against 90.36% in 2012-13.

Other Income

The income from other sources accounted for Rs. 696.35lacs during the year 2014-15 as compared to Rs. 423.82 lacs during the year 2013-14 and increased by 64.30%. It accounted for 6.28% of the total income in the FY 2014-15 as against 4.19 % of 2013-14.

Total Income

The total income of the company was Rs. 11086.89lacs in FY 2014-15 as compared to Rs. 10,123.78 lacs in FY 2013-14 and increased by 9.51%.

Cost of Materials

Cost of Materials accounted for Rs. 6997.96 lacs during the year 2014-15 as compared to Rs. 6,222.11 lacs during the year 2013-14 and increased by 12.46%. It accounted for 63.11% of the total income in the FY 2014-15 as against 61.46% in 2013-14.

Employee Benefits Expenses

The Employee Benefits Expenses accounted for Rs. 451.36lacs during the year 2014-15 as compared to Rs. 390.42 lacs during the year 2013-14 and increased by 15.60%. It accounted for 4.07% of the total income in the FY 2014-15 as against 3.86 % in 2013-14.

Finance Cost

Finance Cost accounted for Rs. 757.17lacs during the year 2014-15 as compared to Rs. 731.66 lacs during the year 2013-14 and increased by 3.48%. It accounted for 6.82% of the total income in the FY 2014-15 as against 7.23% in 2013-14.

Other expenses

Other expenses accounted for Rs. 1876.06lacs during the year 2014-15 as compared to Rs. 1732.06 lacs during the year 2013-14 and increased by 8.31%. It accounted for 16.92% of the total income in the FY 2014-15 as against 17.11% in 2013-14.

Depreciation and amortization expenses

Depreciation and amortization expenses accounted for Rs. 215.55lacs during the year 2014-15 as compared to Rs. 256.30 lacs during the year 2013-14 and decreased by 15.89%. It accounted for 1.94% of the total income in the FY 2014-15 as against 2.53% in 2013-14.

Profit before Tax

Profit before Tax accounted for Rs. **957.74**lacs during the year 2014-15 as compared to Rs. 666.57 lacs during the year 2013-14 and decreased by 43.68%. It accounted for 8.63% of the total income in the FY 2014-15 as against 6.58% in 2013-14.

Profit after Tax

Profit after Tax accounted for Rs. **654.77**lacs during the year 2014-15 as compared to Rs. 454.20 lacs during the year 2013-14 and decreased by 44.15%. It accounted for 5.90% of the total income in the FY 2014-15 as against 4.49% in 2013-14.

Comparison of Fiscal Year 2013-14 with Fiscal Year 2012-13

Sales (Net)

The Net Sales accounted for Rs. 9699.95 lacs during the year 2013-14 as compared to Rs. 8,267.81 lacs during the year 2012-13 and increased by 17.32%. It accounted for 95.81% of the total income in the FY 2013-14 as against 90.36% in 2012-13.

Other Income

The income from other sources accounted for Rs.423.82 lacs during the year 2013-14 as compared to Rs. 881.61 lacs during the year 2012-13 and decreased by 51.92%. It accounted for 4.19% of the total income in the FY 2013-14 as against 9.64% of 2012-13.

Total Income

The total income of the company was Rs. 10,123.78 lacs in FY 2013-14 as compared to Rs. 91,49.42 lacs in FY 2012-13 and increased by 10.64%.

Cost of Materials

Cost of Materials accounted for Rs. 6222.11 lacs during the year 2013-14 as compared to Rs. 6,131.68 lacs during the year 2012-13 and increased by 1.47%. It accounted for 61.46% of the total income in the FY 2013-14 as against 67.02% in 2012-13.

Employee Benefits Expenses

The Employee Benefits Expenses accounted for Rs. 390.42 lacs during the year 2013-14 as compared to Rs. 368.66 lacs during the year 2012-13 and increased by 5.90%. It accounted for 3.86% of the total income in the FY 2013-14 as against 4.03% in 2012-13.

Finance Cost

Finance Cost accounted for Rs. 731.66 lacs during the year 2013-14 as compared to Rs. 640.90 lacs during the year 2012-13 and increased by 14.16%. It accounted for 7.23% of the total income in the FY 2013-14 as against 7.00% in 2012-13.

Other expenses

Other expenses accounted for Rs. 1732.06lacs during the year 2013-14 as compared to Rs. 1362.94lacs during the year 2012-13 and decreased by 27.08%. It accounted for 17.11% of the total income in the FY 2013-14 as against 14.90% in 2012-13.

Depreciation and amortization expenses

Depreciation and amortization expenses accounted for Rs. 256.30 lacs during the year 2013-14 as compared to Rs. 258.03 lacs during the year 2012-13 and decreased by 0.67%. It accounted for 2.53% of the total income in the FY 2013-14 as against 2.82% in 2012-13.

Profit before Tax

Profit before Tax accounted for Rs. 666.57 lacs during the year 2013-14 as compared to Rs. 801.06 lacs during the year 2012-13 and decreased by 16.78%. It accounted for 6.58% of the total income in the FY 2013-14 as against 8.76% in 2012-13.

Profit after Tax

Profit after Tax accounted for Rs. 454.20 lacs during the year 2013-14 as compared to Rs. 571.96 lacs during the year 2012-13 and decreased by 20.58%. It accounted for 4.49% of the total income in the FY 2013-14 as against 6.25% in 2012-13.

Discussion of other aspects as mandated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

- (a) **Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.**

Nil

- (b) **Significant economic changes that materially affected or are likely to affect income from continuing operations;**

Nil

- (c) **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;**

Nil

- (d) **Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known;**

Not Applicable as no such events are known

- (e) **Details of the extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices;**

There is no material increase in net sales or revenue on account of increased sales volume, introduction of new products or services or increased sales prices.

- (f) **Details of the total turnover of each major industry segment in which the issuer operated;**

Polson Limited operates in only one industry segment. For details of the financial information of the Company beginning from page 99.

- (g) **Details of status of any publicly announced new products or business segment;**

Nil

- (h) **Details of the extent to which business is seasonal;**

Nil

- (i) **Details of significant dependence on a single or few suppliers or customers;**

The Company is not dependent on a single or few suppliers for supply of materials.

- (j) **Competitive conditions.**

The competitive strength of the Company is dependent upon the availability and efficiency of its labour force. The management-labour relations are cordial and the Company has not experienced any labour trouble in the past.

The Company faces competition from companies who may operate on a larger scale than us and so may be able to achieve better economies of scale than us. As a result, the Company's financial results and business prospects may be adversely affected.

We face intense competition from domestic Companies and if we are unable to compete vigorously and effectively in the our business, or if we are unwilling or unable to commit additional resources in order to compete effectively, business and its results of operations could be adversely affected. Significant additional competition in the markets where we sell products may see market share eroded and further reduction in prices will negatively affect our revenues and profitability.

SECTION VI- LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

(1) Outstanding litigations involving the issuer:

1. Litigations against the issuer or against any other company whose outcome could have a materially adverse effect of the position of the issuer.

Case Title and Forum	Particulars of the case	Amount Involved (in Rs. Lacs)	Present Status
Polson Limited Vs. Modipon Limited, Civil Court Senior Division, Kolhapur Case No. 378/1997	Special Civil Suit for recovery of damages on account of non-performance of contractual obligations. Polson Limited had vide their plaint dated June 23, 1997, claimed damages to the tune of Rs. 31,450,448/-. The defendants had vide their plaint dated February 22, 1999, filed counter claim for damages for an amount of Rs. 47,630,582/-	Original claim by Polson Limited Rs. 31,450,448/- Counter Claim by defendant Rs. 47,630,582/-	The case is scheduled for hearing on March 28, 2016

2. Litigations against the Directors involving violation of statutory regulations.
Nil
3. Litigations against the Issuer and Directors alleging criminal offence.
Nil
4. Any criminal prosecution against the Directors for any litigation towards tax liabilities.
Nil
5. Any civil prosecution against the Directors for any litigation towards tax liabilities.
Nil
6. Pending proceedings initiated for economic offences against the issuer.
Nil
7. Pending proceedings initiated for economic offences against the Directors.
Nil
8. Adverse findings, if any, in respect of the issuer as regards compliance with the securities laws.
Nil
9. The details of the past cases in which penalties were imposed by the authorities concerned on the issuer.
Nil
10. The details of the past cases in which penalties were imposed by the authorities concerned on the Directors.
Nil
11. Outstanding litigations, defaults, etc. pertaining to matters likely to affect operations and finances of the issuer, including disputed tax liabilities, prosecution under any enactment in respect of Schedule XIII to the Companies Act, 1956 (1 of 1956) etc.
Nil
12. The information regarding pending litigations, defaults, non payment of statutory dues, proceedings initiated for economic offences or civil offences (including the past cases, if found guilty), any

disciplinary action taken by the SEBI or Stock Exchanges against the issuer.

SEBI had vide its circular dated June 04, 2010, amended the Securities Contract (Regulation) Rules, 1957 (SCRR), whereby it amended Rule 19(2)(b) and introduced Rule 19A. In terms of the requirements set forth in the newly introduced Rule 19A, every listed company was required to maintain shareholding of atleast 25%. The Rule further stated that listed company which had public shareholding below 25% was required to increase its public shareholding to atleast 25% within a period of 3 years. Further, SEBI vide its order no. WTM/PS/08/CFD/JUNE/2013 dated June 04, 2013, had passed certain directions against the promoters/ promoters group and directors of the non-compliant companies, whose names are mentioned in the said order. Accordingly, in terms of the said order, SEBI has frozen some of the voting rights and corporate benefits of the Promoter and Promoters Group of the Company, prohibited the promoters/promoters group and directors of the Company from buying, selling or otherwise dealing in securities of the Company, either directly or indirectly, restrained the shareholders forming part of promoter/promoter group of the Company from holding any new position as a director in any listed company and restrained the Directors of the Company from holding any new position as a Director in any listed Company.

However, SEBI may in future take any other action against the Company, its Promoters and/or its Directors including but not limited to levying monetary penalty under adjudication proceedings, initiating criminal proceedings by way of prosecution proceedings and any other action/direction as it may deem appropriate.

13. The information regarding pending litigations, defaults, non payment of statutory dues, proceedings initiated for economic offences or civil offences (including the past cases, if found guilty), any disciplinary action taken by the SEBI or Stock Exchanges against the Directors.
Please refer to point No. 12 above.
14. Other litigations against the issuer.
Nil
15. The name(s) of the small scale undertaking(s) or any other creditors to whom the issuer owes a sum exceeding Rs. one lakh which is outstanding more than thirty days.

S. No.	Particulars	Amount in Rs.
1.	3F Industries Limited	269407.00
2.	Abhijit Trading Company	4258020.00
3.	Akash Puro Chem Private Limited	145927.00
4.	Aquapharm Chemicals Pvt Ltd	568376.66
5.	BASF India Limited	191274.30
6.	BASF South East Asia Pvt Ltd	1406500.00
7.	BKG Import	15226117.81
8.	BK Guilini	3160725.00
9.	BK Guilini Specialities Pvt Ltd	6491351.00
10.	Blow Packaging (India) Private Limited	7974688.00
11.	Chlorina Organic Industries	1397260.00
12.	Clariant Chemicals (India) Limited	296324.02
13.	Darshan Chem	223839.00
14.	Daryanomal Lakhmichand	20041365.10
15.	Elfine chemicals	964229.00
16.	Energyspin Private Limited	2140549.65
17.	Esteem Industries Private Limited	13721625.00
18.	Excell Gum Industries	2058360.00
19.	Grand organic Pvt Ltd	1812467.00
20.	Grasim Industries Limited	7663717.00
21.	Gujarat Clay Mills Pvt Ltd	511516.00
22.	Gujarat Polybond Pvt Ltd	705412.00
23.	Gujarat Polysol Chemicals Pvt Ltd	4207805.22
24.	Jay Dinesh Chemicals	263925.00
25.	J.K Wadhwa & Sons	510401.00
26.	Kalpana Minerals Pvt Ltd	1195065.00
27.	Kavya Chem	413245.14

S. No.	Particulars	Amount in Rs.
28.	Lanxess India Pvt Ltd	200765.48
29.	Makwana Chemi Euip Pvt Ltd	2025000.00
30.	Mazda Exports	820941.00
31.	Mitkalp Exim	564297.00
32.	Padmavati Enterprise	372590.00
33.	Panama Petrochem Ltd	298951.00
34.	Pidilite Industries Ltd	294451.00
35.	Polysol Industries	268516.00
36.	Prerana Ammonia & Chemicals Pvt Ltd	105426.00
37.	Privi Life Science Pvt Ltd	680274.00
38.	Rajaram Maize Products	159195.17
39.	Rajeshwari Dychem Private Limited	187200.00
40.	R.R Innovative Pvt Ltd	634673.00
41.	Satyajit Chemicals Pvt. Ltd	239388.00
42.	S.B. International	1430288.81
43.	Shakti Containers Private Limited	766537.00
44.	Solar Chemferts Private Limited	2948400.00
45.	Super Services	124731.00
46.	Suppliers – Others	510400.00
47.	TFL Leather – Cr	175509.00
48.	Vac Tech Marketing Services	143106.00
49.	Vashist Aromatics	642600.00
50.	Vic Industries	8619350.00
51.	Vijay Starch Products	154284.00
52.	Vikram Oil Industries	147146.00
53.	Vikram Plasticizers	120532.00
54.	ZHEJIANG MEDICINES & HEALTH PRODUCTS IMP & EXP CO.	3681315.00
	GRAND TOTAL	124135358.36

16. Outstanding litigations, defaults, etc. pertaining to matters likely to affect operations and finances of the subsidiaries of the issuer, including disputed tax liabilities, prosecution under any enactment in respect of Schedule XIII to the Companies Act, 1956 (1 of 1956) etc.

Nil

(2) Outstanding litigations involving the promoter:

- (A) All pending litigations in which the promoters are involved

Nil

- (B) List of all defaults to the financial institutions or banks by Promoters

Nil

- (C) List of all non-payment of statutory dues by Promoters

Nil

- (D) List of all dues towards instrument holders such as debt instrument holders, fixed deposits and arrears on cumulative preference shares by Promoters

Nil

- (E) List of proceedings initiated for economic offences or civil offences (including the past cases, if found guilty) by Promoters

Nil

- (F) List of all disciplinary action taken by the SEBI or recognised stock exchanges against the promoters and group companies

Please refer to point No. 12 appearing on page no. 151.

- (G) List of cases of pending litigations, defaults, etc. in respect of group companies with which the

promoters were associated in the past but are no longer associated, in case their name(s) continue to be associated with the particular litigation(s).

Nil

- (H) All the litigations against the Promoter involving violation of statutory regulations.

Nil

- (I) All the litigations against the promoter alleging criminal offence.

Nil

- (J) List of Pending proceedings initiated for economic offences against the promoters.

Nil

- (K) List of adverse findings, if any, in respect of the persons/entities connected with the issuer/promoter as regards compliance with the securities laws.

Nil

- (L) Details of the past cases in which penalties were imposed by the concerned authorities.

Nil

(3) Material developments since the last balance sheet date.

The Company has received consent of the shareholders of the Company inter-alia for sale and transfer of 1010 Equity Shares of Rs. 100 each, 418 0% Un-secured Compulsory Convertible Non-Redeemable Debentures and assign its un-secured loans of Rs. 21,22,12,732/- in its wholly owned subsidiary M/s Dudhwala Builders Private Limited to M/s Oriental Pharmaceutical Industries Limited. The consent of the shareholders was obtained by resolution passed through postal ballot, the results of which were declared on March 18, 2015. Accordingly, M/s Dudhwala Builders Private Limited has ceased to be a subsidiary of the Company.

Apart from above, in the opinion of the Board of Directors of the Company, there have not arisen any circumstances since March 31, 2014 which materially and adversely affect, or are likely to materially and adversely affect, the Company's business or the profitability of the Company, or the value of the assets, or the Company's ability to pay its liabilities within the next 12 months.

Note: if any further litigation, development does arise after the date of filing of the Letter of Offer, the same shall be updated and incorporated in the Letter of Offer that the Company will issue in connection with the present issue.

GOVERNMENT APPROVALS OR LICENSING ARRANGEMENTS

The Company has all the necessary licenses, permissions and approvals, as may be applicable, from the Central and State Governments and other government agencies/certification bodies required for the business and no further approvals are required by the company, except those mentioned separately hereunder, and those approvals that may be required to be taken from any government or any other authority in the normal course of business from time to time to continue the activities, and those mentioned under the heading Risks Envisaged.

The Company does not require any other approvals or renewals, except as mentioned specifically hereunder.

In view of the approvals listed below, the Company can undertake this Issue and its current and proposed business activities and no further material approvals are required from any Government authority to continue such activities.

INVESTMENT APPROVALS

As per Notification No. FEMA 20 / 2000 - RB dated 3rd May 2000, as amended from time to time, under automatic route of Reserve Bank, the Company is not required to make an application for Issue of Equity Shares to NRIs/FIIs with repatriation benefits. However, the allotment / transfer of the Equity Shares to NRIs/FIIs shall be subject to prevailing RBI Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

GOVERNMENT AND OTHER APPROVALS:

S. No.	Name of Registration	Name of Issuing Authority/Department	Licence/ Registration No.
1.	Certificate of Incorporation for incorporation of the Company as Polson Limited	Registrar of Companies, Bombay	Company of Incorporation dated July 13, 1939
2.	Permanent Account Number	Income Tax Department, Government of India	AAACP4597Q
3.	TDS Account Number	National Securities Depository Limited, Mumbai.	MUMP16795C
4.	Import Export Code	Ministry of Commerce, Government of India	0388192542
5.	Employees Provident Fund Registration	Office of the Regional Provident Fund Commissioner, Kolhapur.	MH 1079/K-2 PF 01-101956
6.	The Maharashtra Value Added Tax Act, 2002	Registration Officer, Sales Tax Department, Maharashtra	MH01 V 300956
7.	Central Sales Tax Act, 1956 registration, Maharashtra	Registration Officer, Sales Tax Department, Maharashtra	MH01 C 293484
8.	Central Excise Registration	Assistant Commissioner of Central Excise, Kolhapur, Maharashtra	AAACP4579QXM002
9.	Service Tax Code, Kolhapur	Assistant Commissioner, Excise, Kolhapur	AAACP4597QST0001
10.	Factory Licence for Kagal Plant under Factories Act, 1948	Director, Industrial Safety & Health, Maharashtra State, Mumbai	Licence No. 097193
	Factory Licence for Amba Plant under Factories Act		Licence No. 074411
	Factory Licence for Gokul Plant under Factories Act		Licence Nos. 153349 & 074258
11.	Contract Labour (Regulation and Abolition) Act, 1970 – For Amba Plant	Assistant Commissioner of Labour & Reg. & Lic. Officer, under Contract Labour (R. & A.) Act, 1970, Kolhapur	Certificate of Registration No. ACLK/R/244/06.11.2001
12.	Contract Labour (Regulation and Abolition) Act, 1970 – For Amba Plant		Certificate of Registration No. ACLK/R/299/02.03.2006
13.	Contract Labour (Regulation and Abolition) Act, 1970 – For Amba Plant		Certificate of Registration No. ACLK/R/384/17.04.2012

S. No.	Name of Registration	Name of Issuing Authority/Department	Licence/ Registration No.
14.	Consent to operate under section 26 of the Water (Prevention and Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and authorization/ renewal of authorization under rule 5 of the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 – For Gokul Plant	In-charge, Regional Office Kolhapur, Maharashtra Pollution Control Board	MPCB/RO/KOP/868 Dated December 21, 2011
15.	Consent to operate under section 26 of the Water (Prevention and Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and authorization/ renewal of authorization under rule 5 of the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 – For Kagal Plant	Regional Officer Kolhapur, Maharashtra Pollution Control Board	MPCB/489/11 Dated May 31, 2011
16.	Consent to operate under section 26 of the Water (Prevention and Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and authorization/ renewal of authorization under rule 5 of the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 – For Amba Plant	In-charge, Regional Office Kolhapur, Maharashtra Pollution Control Board	MPCB/13/01445/1790/13 Dated February 16, 2013

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

SECTION VII - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the issue

This issue is being made pursuant to the resolution passed by the Board of Directors of the Company at its meeting held on May 24, 2014.

The Company has received in-principle approval from the BSE for listing of the Equity Shares to be allotted in the Issue pursuant to letter dated [●].

Prohibition by the SEBI

1. There is no prohibition on Polson Limited, Promoters, Promoter Group, Directors, Group Companies, or on the natural persons behind the body corporate being the Promoter of Polson from accessing the capital market for any reasons by the SEBI or any other authorities.
2. None of the Directors of Polson Limited are associated with the securities market in any manner and SEBI has initiated no action against them except for its order no. WTM/PS/08/CFD/JUNE/2013 dated June 04, 2013, had passed certain directions against the promoters/ promoters group and directors of the non-compliant companies, whose names are mentioned in the said order. Accordingly, in terms of the said order, SEBI has frozen some of the voting rights and corporate benefits of the Promoter and Promoters Group of the Company, prohibited the promoters/promoters group and directors of the Company from buying, selling or otherwise dealing in securities of the Company, either directly or indirectly, restrained the shareholders forming part of promoter/promoter group of the Company from holding any new position as a director in any listed company and restrained the Directors of the Company from holding any new position as a Director in any listed Company.
3. Except, Mr. Sudhir Hariprasad Nevatia who is a director on the board of Morarka Finance Limited, none of the Directors of our Company are associated with the securities markets in any manner.

Prohibition by the RBI

Polson Limited, its Promoters, Group Companies, the Relatives (as per Companies Act, 2013) of Promoters, Group Companies are not identified as willful defaulters by Reserve Bank of India or other authorities.

Eligibility for the Issue

Our Company is an existing listed company registered under the Indian Companies Act VII of 1913, whose Equity Shares are listed on BSE. It is eligible to offer this issue in terms of Regulation 4 and Chapter IV of the SEBI (ICDR) Regulations, 2009.

Polson Limited has not complied with the provisions contained in clause (1) of Part E of Schedule VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 hence in terms of the provisions contained in clause (2) of Part E, the disclosures in this document have been made in Compliance with Part A of Schedule VIII, alongwith relevant disclosure as mentioned in Part E clause (1) of the said Schedule.

Disclaimer clause of SEBI

"AS REQUIRED, A COPY OF THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF LETTER OF OFFER TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. LEAD MERCHANT BANKER, SOBHAGYA CAPITAL OPTIONS LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT

INFORMATION IN THE LETTER OF OFFER, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER SOBHAGYA CAPITAL OPTIONS LIMITED HAS FURNISHED TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 26, 2014 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER(S) TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- (1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE LETTER OF OFFER PERTAINING TO THE ISSUE;
- (2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - (a) THE LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - (b) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT OF INDIA AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - (c) THE DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, TO THE EXTENT NOTIFIED AND IN EFFECT, THE COMPANIES ACT, 1956 AS AMENDED (WITHOUT REFERENCE TO THE SECTIONS THEREOF THAT HAVE CEASED TO HAVE EFFECT UPON NOTIFICATION OF SECTIONS OF THE COMPANIES ACT, 2013), SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- (3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- (4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE
- (5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE LETTER OF OFFER – NOT APPLICABLE
- (6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE LETTER OF OFFER – NOT APPLICABLE
- (7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT

PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE ISSUE – NOT APPLICABLE

- (8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- (9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE, SUBJECT TO COMPLIANCE WITH REGULATION 56 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.**
- (10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.**
- (11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- (12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER:**
 - (a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
 - (b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**
- (13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**
- (14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
- (15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
- (16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR DATED SEPTEMBER 27, 2011.**
- (17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE ISSUER INCLUDED IN THE LETTER OF OFFER.**

The filing of this Letter of Offer does not, however, absolve our Company from any liabilities under Section 34 or Section 38 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other

clearance as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up, at any point of time, with the Lead Manager any irregularities or lapses in this Letter of Offer.

Disclaimer clauses from the Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in the Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company and the Lead Manager shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of the Letter of Offer with SEBI.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this document. You must not rely on any unauthorized information or representations. The Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations there under. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra, India only.

Selling Restrictions

The distribution of this Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer may come are required to inform themselves about and observe such restrictions. Our Company is making the Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer and CAFs only to the Eligible Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with the Stock Exchanges.

Accordingly, the Equity Shares and Rights Entitlement may not be offered or sold, directly or indirectly, and none of the Letter of Offer or any offering materials or advertisements in connection with the Equity Shares or Rights Entitlement may be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in the Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and additional Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Each person who exercises Rights Entitlement and subscribes for Equity Shares or excess Equity Shares, or who purchases Rights Entitlement or Equity Shares shall do so in accordance with the restrictions set out below.

Disclaimer Clause of BSE

As required, a copy of this Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by the BSE to us, post scrutiny of Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Filing

The Draft Letter of Offer has been filed with SEBI, Corporation Finance Department, Division of Issues and Listing, SEBI Bhavan, Plot No. C-4A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400051 for its comments and observations. The Letter of Offer is also being filed with the Designated Stock Exchange as per the requirements of the law. All the legal requirements applicable till the date of filing the Letter of Offer with the Stock Exchanges have been complied with.

Listing

The Equity Shares of our Company are listed on BSE. We have received in-principle approvals for listing of the Rights Equity Shares from BSE vide its letter dated [●]. We will make applications to BSE for final listing and trading approvals in respect of the Rights Equity Shares being offered in terms of this Letter of Offer.

In case the permission to deal in and for an official quotation of the Rights Equity Shares is not granted by the Stock Exchange, our Company shall forthwith repay without interest, all monies received from the applicants in pursuance of this Letter of Offer.

Designated Stock Exchange

The designated stock exchange for the purpose of this issue is BSE.

Consents

Consents in writing of the Auditors, Lead Manager, Legal Advisors, Registrar to the Issue and Banker to the Company to act in their respective capacities have been obtained and such consents have not been withdrawn up to the time of delivery of this Letter of Offer for registration with BSE.

The Auditors of the Company have given their written consent for the inclusion of their Report in the form and content as appearing in this Letter of Offer and such consents and reports have not been withdrawn up to the time of delivery of this Letter of Offer for registration with the stock exchanges.

M/s A. S. Madon & Co., Chartered Accountants, Auditors have given their written consent for inclusion of income tax benefits in the form and content as appearing in this Letter of Offer, accruing to the Company and its members.

To the best of our knowledge there are no other consents required for making this Issue. However, should the need arise, necessary consents shall be obtained by us.

Expert Opinion, if any

Except for the Statement of Tax Benefits dated March 12, 2016 and the Auditors' Report dated March 12, 2016, by the Statutory Auditors M/s A. S. Madon & Co., Chartered Accountants, the Company has not obtained any expert opinions.

Expenses of the Issue

The expenses of the Issue including fees and reimbursement to the Lead Manager(s), Auditors, Legal Advisor to the Issue, Registrar to the Issue, printing and distribution expenses, publicity, listing fees, stamp duty and other expenses are estimated at Rs. 25 Lacs (around 2.98% of the total Issue size) and will be met out of the proceeds of the Issue.

Activity	Amount (in Rs. Lacs)	Percentage of total issue expenses	Percentage of total issue size
Lead Management Fees	9.50	38.00	1.13
Registrar to the Issue and Advisors to the Issue	2.00	8.00	0.23
Advertisement and Marketing expenses	3.00	12.00	0.36
Printing and Stationery and Distribution	3.00	12.00	0.36
Others (Processing fees, listing fee, Corporate Action charges etc)	7.50	30.00	0.90
Total	25.00	100%	2.98%

Underwriting Commission, Brokerage and Selling Commission:

Since the Issue is not being underwritten, no underwriting commission, brokerage and selling commission are paid or payable.

Previous Public or Rights issues, if any during the last five years:

Nil

Previous issues of securities otherwise than for cash.

Nil.

The Company had made Bonus Issue of shares in the Financial year 1966-67, certain details of which are mentioned on page 16 of this Letter of Offer in the section "Capital Structure of the Company".

Commission or brokerage on previous issues

The Company had made its Initial Public Offer of Equity shares in the year 1948. Details of commission paid, if any, are not available with us.

Neither Polson Limited nor any other listed group- company/ subsidiary/associate made any capital issue during the last three years.**Performance vis-à-vis objects****(1) Polson Limited**

- a) Details of all the public/rights issues made during the period of ten years immediately preceding the date of filing the offer document with the SEBI, along with the year of issue.

Nil

- b) Performance vis-à-vis objects - Last three issues of the Polson Limited during the period of ten years immediately preceding the date of filing offer document with the Board were met.

Not Applicable

- c) Details of non-achievement of objects.

Not Applicable

(2) Listed Group Companies of Polson Limited- Nil**Details of all Outstanding debentures or bonds and redeemable preference shares and other instruments issued by Polson Limited outstanding as on the date of offer document.**

NIL.

Stock market data for equity shares of Polson Limited

1. **The high and low prices recorded during the last three years, the number of Equity Shares traded on the days the high and low prices were recorded and average prices are stated below.**

Year	High (Rs.)	Date of High	No. of equity shares trades	Low (Rs.)	Date of Low	No. of equity shares trades	# Average Price (Rs.)
April 01,2015 to March 23, 2016	8323	April 17, 2015	14	5950	April 06, 2015	15	7136.50
2014-15	10448	January 30, 2015	35	1900	May 19, 2014	2	6174
2013-14	3237.00	December 27, 2013	69	998.10	August 14, 2013	3	2117.55
2012-13	1099.75	March 26, 2013	5	220.15	May 07, 2012	100	659.95
2011- 12	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Arithmetic average of High and Low Price

Source: www.bseindia.com

2. **The high and low prices, no. of Equity Shares traded on the respective dates and volume of**

securities traded in each month during the last six months are as follows:

Month	High (Rs.)	Date of High	No. of equity shares traded	Low (Rs.)	Date of Low	No. of equity shares traded	Volume of Securities traded (No. of equity shares)
March 2016	7481	March 23, 2016	6	6161	March 17, 2016	1	93
February 2016	6700	February 02, 2016	11	6100	February 24, 2016	1	44
January 2016	7200	Jan 05, 2016	21	6400	Jan 14, 2016	5	68
December 2015	6868	Dec 23, 2015	14	6200	Dec 24, 2015	24	57
November 2015	7098	Nov 04, 2015	19	6201	Nov 18, 2015	2	83
October 2015	6998	Oct 23, 2015	25	6300	Oct 06, 2015	5	56

Source: www.bseindia.com

3. The week-end prices of the Equity Shares in the last four weeks together with the high and low prices are set out below:

Week ended on	High (Rs.)	Date of High	Volume on date of high (No. of equity shares)	Low (Rs.)	Date of Low	Volume on date of low (No. of equity shares)
March 4, 2016	6800	March 02, 2016	5	6599	March 01, 2016	13
March 11, 2016	6399	March 09, 2016	1	6200	March 11, 2016	1
March 18, 2016	6469	March 18, 2016	10	6161	March 17, 2016	1
March 25, 2016	7481	March 23, 2016	6	6792	March 21, 2016	28

Source: www.bseindia.com

The Closing market price of the Equity Shares of the Company on May 26, 2014 i.e., immediately after the date on which the resolution of the Board of Directors dated May 24, 2014 approving the issue was approved was Rs. 2415.00 per Equity Shares.

Mechanism evolved for redressal of investor grievances in Polson Limited

Details of the arrangements or mechanism evolved by the issuer for redressal of investor grievances.

The Company has appointed M/s Purva Shareregistry (India) Private Limited as its Registrar and Transfer agent for handling the share registry work relating to shares held both in physical and electronic form at a single point. The Company has also constituted an Investors' Grievance Committee to deal with the grievances of investors related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, transfer, transmission, transposition, nomination, dividend, change of name/address/signature, registration of mandate / Power of Attorney, replacement/split /consolidation of share certificate/demat/remat of shares, issue of duplicate certificates etc.

Details of the number of investor complaints received during the three years preceding the filing document with the SEBI and the number of complaints disposed off during that period.

Sr. No.	Quarter	Pending from last Quarter	Received during the Quarter	Resolved during the Quarter	Pending End of the Quarter
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Sr. No.	Quarter		Pending from last Quarter	Received during the Quarter	Resolved during the Quarter	Pending End of the Quarter
1.	01 April 2016	30 June 2016	0	0	0	0
2.	01 January 2016	31 March 2016	0	0	0	0
3.	01 October 2015	31 December 2015	0	0	0	0
4.	01 July 2015	30 September 2015	0	0	0	0
5.	01 April 2015	30 June 2015	0	0	0	0
6.	01 January 2015	31 March 2015	0	0	0	0
7.	01 October 2014	31 December 2014	0	0	0	0
8.	01 July 2014	30 September 2014	0	0	0	0
9.	01 April 2014	30 June 2014	0	0	0	0
10.	01 January 2014	31 March 2014	0	0	0	0
11.	01 October 2013	31 December 2013	0	0	0	0
12.	01 July 2013	30 September 2013	0	0	0	0
13.	01 April 2013	30 June 2013	0	0	0	0
14.	01 January 2013	31 March 2013	0	0	0	0
15.	01 October 2012	31 December 2012	0	1	1	0
16.	01 July 2012	30 September 2012	0	0	0	0
17.	01 April 2012	30 June 2012	0	0	0	0
18.	01 January 2012	31 March 2012	0	1	1	0
19.	01 October 2011	31 December 2011	0	0	0	0
20.	01 July 2011	30 September 2011	0	0	0	0
21.	01 April 2011	30 June 2011	0	0	0	0
22.	01 January 2011	30 March 2011	0	0	0	0
23.	01 October 2010	31 December 2010	0	0	0	0
24.	01 July 2010	30 September 2010	0	0	0	0
			TOTAL	2	2	

Details of the number of investor complaints pending on the date of filing offer document with the Board.

Nil

Details of the number of investor complaints pending on the date of filing offer document with the SEBI in respect of the five largest (in terms of market capitalization) listed group companies.

Not Applicable.

Details of the time normally taken by the issuer for disposal of various types of investor grievances.

Sl. No	Nature of the Complaint/Grievance	Standard Redressal Time
1.	Non-receipt of S/C after rejecting DRN	10-15 days
2.	Non-receipt of Dividend	10-15 days
3.	Non- receipt of S/C	10-15 days
4.	Non receipt of Annual Report	02 days
5.	Change of Address	7-10 days
6.	Bank Mandate	7-10 days
7.	Transmission	30 days
8.	Demat of Shares	15 days
9.	Nomination of Shares	10 days
10.	Registration of Power	7-10 days
11.	Name Correction	10-15 days

Investor Grievances arising out of the Issue

Our Company's investor grievances arising out of the Issue will be handled by Purva Sharegistry (India) Private Limited, who is the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post-Issue correspondence.

All grievances relating to the Issue may be addressed to the Registrar to the Issue or the SCSB in case of ASBA applicants giving full details such as folio no., name and address, contact telephone / cell numbers,

email id of the first applicant, number and type of shares applied for, application form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, alongwith a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7-10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Registrar to the Issue

Purva Sharegistry (India) Private Limited

Unit no. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg
Opposite Kasturba Hospital Lane, Lower Parel (E), Mumbai 400 011
Tel No.: +91 22 2301 6761 / 8261
Fax No.: +91 22 2301 2517
Contact Person: Mr. Rajesh Shah
Email id: purvashr@mtnl.net.in
Website: www.purvashare.com
SEBI Registration No: INR000001112

Investors may contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue/ post - Issue related problems such as non-receipt of Allotment advice/share certificates/ demat credit/refund orders etc. The contact details of the Compliance Officer are as follows:

Manager Legal and Company Secretarial Affairs Ms. Sampada Sawant

Polson Limited
3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M Karve Road, Churchgate, Mumbai – 400020
Tel: 022 22822321/2;
Fax: 022 22822325
E-mail: sampada@polsonltd.com

Company Secretary & Compliance Officer

Mr. Amita Karia
Polson Limited
3rd Floor, Cambata Building, Southwest Wing, Near Eros Cinema, M Karve Road, Churchgate, Mumbai – 400020
Tel: 022 22822321/2;
Fax: 022 22822325
E-mail: compliance@polsonltd.com

Details of Change, if any, in the auditors of Polson Limited during the last three years, and reasons, thereof.

Nil

Details of Capitalization of reserves or profits (during last five years) by Polson Limited.

Nil

Details of Revaluation of assets, if any (during the last five years) by Polson Limited.

Nil

SECTION VIII- ISSUE RELATED INFORMATION

TERMS OF THE ISSUE & ISSUE PROCEDURE

This Section applies to all Applicants. ASBA Applicants should note that the ASBA process involves procedures that may be different from that applicable to other Applicants and should carefully read the provisions applicable to such Applications, in the Letter of Offer, Abridged Letter of Offer and the CAF, before submitting an Application Form. The Company and the Lead Manager are not liable for any amendments, modifications or changes in applicable law which may occur after the date of the Letter of Offer.

OVERVIEW

The Rights Equity Shares proposed to be issued on rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the CAF, the provisions of the Memorandum and Articles of Association of our Company, the provisions of the Companies Act, FEMA, the SEBI Regulations, the Guidelines, Notifications and Regulations for the issue of capital and for listing of securities issued by the Government of India and any other statutory and regulatory authorities from time to time, the terms of listing agreements entered into by the Company with the Stock Exchanges, and, the terms and conditions as stipulated in the allotment advice or the security certificate.

Please note that in accordance with the provisions of the SEBI Circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs, Non-Institutional Investors and Non Retail Individual Investors complying with the eligibility conditions prescribed under the SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the above conditions may optionally apply through the ASBA process. The Renouncees and Physical Shareholders are not eligible ASBA Investors and must only apply in the Issue through the non-ASBA process, irrespective of the application amounts.

Accordingly, an eligible ASBA Investor is an Applicant who:

- holds the Equity Shares in dematerialised form as on the Record Date and has applied towards his/her Rights Entitlements or additional Rights Equity Shares in the Issue in dematerialised form;
- has not renounced his/her Rights Entitlements in full or in part;
- is not a Renouncee to the issue; and
- applies through a bank account maintained with at least one of the SCSBs

Please note that all (i) who have applied through split application forms, (ii) who have renounced their Rights Entitlement and (ii) Renouncees (including the Renouncees who are Individuals), shall apply in the Issue only through the non-ASBA process.

ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non-ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. For the Eligible Equity Shareholders wishing to apply through the ASBA process for the Issue, kindly refer section titled "Procedure for Application through the Applications Supported by Blocked Amount ("**ASBA**") Process" on page 181.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/12/2012 dated September 13, 2012 and SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, such SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring compliance with the applicable regulations.

All rights/obligations of the Eligible Equity Shareholders in relation to Application and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Authority for the Issue

This Issue is being made pursuant to a resolution passed by the Board of Directors of our Company on May 24, 2014 pursuant to Section 62 and all other applicable provisions of the Companies Act, 2013.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to those existing Eligible Equity Shareholders, whose names appear, (i) as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the electronic form, and, (ii) on the register of members of our Company in respect of the Equity Shares held in physical form, at the close of business hours on the Record Date, i.e. April 06, 2016. The basis of allotment for the Rights Equity Shares shall be finalised in consultation with the Designated Stock Exchange.

Rights Entitlement

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., April 06, 2016, you are entitled to the number of the Equity Shares as set out in Part A of the CAFs.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute under and including any court proceedings and / or currently under transmission or are held in a demat suspense account pursuant to the clause 5A of the Listing Agreement and for which our Company has withheld the dividend, shall be held in abeyance and the CAFs in relation to these Rights Entitlement shall not be dispatched pending resolution of the dispute / completion of the transmission or pending the release of the Equity Shares from demat suspense account. On submission of such documents / records confirming the legal and beneficial ownership of the Equity Shares with regard to these cases, to the satisfaction of the Issuer, the Issuer shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares with respect to these Rights Entitlement at the Issue Price of Rs. 5600 per Equity Share as adjusted for any bonus shares, consolidation or spilt of shares (as may be applicable) in accordance with the provisions of the Companies Act and all other applicable laws. For details in relation to basis of allotment, please see "Terms of the Issue—Basis of Allotment" beginning on page 165.

The distribution of this Letter of Offer and the issue of the Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Our Company is making the issue of the Rights Equity Shares on a rights basis to the Eligible Equity Shareholders and this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the CAFs will be dispatched only to those Eligible Equity Shareholders who have a registered address in India. Any person who acquires the Rights Entitlements or the Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the US and/or in other restricted jurisdictions which have any restrictions in connection with offering, issuing and allotting any shares within its jurisdiction, and/or to its citizens.

Persons who may acquire Rights Entitlements or come into possession of the Letter of Offer or the CAF are advised to consult their own legal advisors as to restrictions applicable to them and to observe such restrictions. The Letter of Offer may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized. No action has been or will be taken that would permit the offering of the Equity Shares or the Rights Entitlements pursuant to the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of the Letter of Offer or the CAF in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer or the CAF may not be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with applicable law and procedures of and in any such jurisdiction. Recipients of the Letter of Offer, Abridged Letter of Offer or the CAF, including the Eligible Equity Shareholders and the Renouncees, are advised to consult their legal counsel prior to applying for the Rights Entitlement and additional Equity Shares or accepting any provisional allotment of the Equity Shares, or making any offer, sale, resale, pledge or

other transfer of the Equity Shares or the Rights Entitlement.

PRINCIPAL TERMS AND CONDITIONS OF THE RIGHTS EQUITY SHARES

Face Value

Each Rights Equity Share will have the face value of Rs. 50/-.

Issue Price

Each Rights Equity Share shall be offered at an Issue Price of Rs. 5600 for cash at a premium of Rs. 5550 per Rights Equity Share. The Issue Price has been arrived at after consultation between our Company and the Lead Manager.

Rights Entitlement Ratio

The Eligible Equity Shareholders shall be entitled to apply for 31 Rights Equity Share(s) for every 39 Equity Share(s) held on the Record Date.

Terms of payment

Full amount of Rs. 5600 per Equity Share will be payable at the time of making application.

The payment towards the Rights Equity Shares offered will be applied as under:

Rs. 50 per Rights Equity Share towards Equity Share capital of our Company; and

Rs. 5550 per Rights Equity Share towards securities premium account of our Company.

Where an applicant has applied for additional Rights Equity Shares and is allotted lesser number of Rights Equity Shares than applied for, the excess application money shall be refunded. The excess application monies would be refunded within 15 days from the closure of the Issue.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 31 Rights Equity Shares for every 39 Equity Shares held as on the Record Date. For the Rights Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 39 Equity Shares or not in the multiple of 39, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above would be given preferential consideration for the Allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

For example, if an Eligible Equity Shareholder holds between 39 and 77 Equity Shares, he will be entitled to 31 Rights Equity Shares on a rights basis. He will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if he has applied for the same.

If an Eligible Equity Shareholder holds between 01 and 38 Equity Shares, he will be entitled to 'Zero' Equity Shares on rights basis. Such Equity Shareholder shall be despatched a CAF with 'Zero' entitlement. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and would be given preference in the allotment of one additional Rights Equity Share if, such Eligible Equity Shareholders have applied for the additional Rights Equity Shares. However, they cannot renounce the same in favour of third parties. The CAFs with zero entitlement will be non-negotiable/non-renounceable.

It is clarified that additional Rights Equity Shares, required in connection with the aforementioned allotments would be adjusted from the unsubscribed portion of the Issue, if any.

Ranking

The Rights Equity Shares being issued shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank pari passu, in all respects including dividend, with our existing Equity Shares.

Mode of Payment of Dividend

We shall pay dividend to our Equity Shareholders as per applicable statutory and regulatory requirements, including inter alia the provisions of the Companies Act and our Company's Articles of Association.

Listing and trading of the Rights Equity Shares proposed to be issued

Our Company's existing Equity Shares are currently listed and traded on BSE Limited (scrip code: 507645) under the ISIN Code INE339F01021. In terms of circular no. CIR/MRD/DP/21/2012, dated August 2, 2012, by SEBI, the Equity Shares proposed to be issued pursuant to the Issue shall be allotted under a temporary ISIN which shall be kept blocked till the receipt of final listing and trading approval from the Stock Exchange. Upon receipt of such listing and trading approval, the Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN of the Company and be available for trading.

The Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange under the existing ISIN for the Equity Shares of our Company. All steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within 15 Days from the issue closing date. The Company has made applications to the Stock Exchange seeking "in-principle" approval for the listing of the Rights Equity Shares pursuant to the Issue in accordance of the Listing Agreement and has received such approval from BSE pursuant to letter no. DCS/PREF/BS-RT/575/2014-15 dated December 08, 2014. Our Company will apply to the Stock Exchange for final approval for the listing and trading of the Rights Equity Shares. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

If permissions to list, deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Letter of Offer. If such money is not repaid beyond eight days after our Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of 15 days from the Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as per applicable law.

Rights of the Eligible Equity Shareholder

The Rights Equity Shares allotted in this Issue shall rank *pari passu* with the existing Equity Shares in all respects including dividend. Subject to applicable laws, the Eligible Equity Shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote/ poll in person or by proxy;
- Right to receive offers for Rights Equity Shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right to free transferability of the Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Listing Agreement and Memorandum and Articles of Association.

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

GENERAL TERMS OF THE ISSUE

Market lot

The Equity Shares of our Company are tradable in dematerialized form. The market lot for the Equity Shares in dematerialised mode is one Equity Share. In case an Eligible Equity Shareholder holds the Equity Shares in physical form, our Company would issue to the Allottees one certificate for the Rights Equity Shares allotted to each folio, ("**Consolidated Certificate**"). However, our Company would issue

split certificates on receipt of written requests along with such Consolidated Certificate from the Eligible Equity Shareholders. Our Company shall not charge a fee for splitting any of the share certificates.

Nomination

In terms of Section 72 of the Companies Act, 2013 nomination facility is available for Rights Equity Shares. An Eligible Equity Shareholder can nominate any person by filling the relevant details in the CAF in the space provided for this purpose. In case of the Eligible Equity Shareholders who are individuals, a sole Eligible Equity Shareholder or the first named Eligible Equity Shareholder, along with other joint Eligible Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Rights Equity Shares. A person, being a nominee, becoming entitled to the Rights Equity Shares by reason of the death of the original Eligible Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered holder of the Rights Equity Shares. Where the nominee is a minor, the Eligible Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Rights Equity Shares, in the event of death of the said holder(s), during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Rights Equity Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. When the Rights Equity Shares are held by two or more persons, the nominee shall become entitled to receive the Rights Equity Shares only on the demise of all the holders. Fresh nominations can be made only in the prescribed form available on request at the Registered Office of our Company or at such addresses as may be notified by our Company. An Eligible Equity Shareholder can make the nomination by filling in the relevant portion of the CAF.

In accordance with Articles of Association of our Company and as per applicable laws, any person who becomes a nominee by virtue of the death of the original shareholder, shall, upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors of the Company shall in either case have the same right to decline or to suspend registration, as it would have if the deceased shareholder had transferred the shares before his death.

Only one nomination would be applicable for one folio. Hence, in case the Eligible Equity Shareholder(s) has already registered the nomination with our Company, no further nomination needs to be made for the Rights Equity Shares that may be allotted in this Issue under the same folio.

In case the allotment of the Rights Equity Shares is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with respective Depository Participant ("DP") of the Applicant would prevail. Any Applicant desirous of changing the existing nomination is requested to inform its respective DP.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares they shall be deemed to hold the same as joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association of our Company. In case of joint holders, the CAF would be required to be signed by all the joint holders to be considered as valid for allotment of the Rights Equity Shares.

In case such Eligible Equity Shareholders who are joint holders wish to renounce their Rights Entitlement, all such Eligible Equity Shareholders who are joint holders would be required to sign Part B of the CAF. In absence of signatures of all joint holders, the CAF would be liable for rejection.

Subscription by our Promoters and/or Promoter Group

Our Promoters and members of the Promoter Group shall not participate in this Issue.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, or the subscription level falls below 90%, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date (in case the Issue is non-underwritten) or shall refund the entire subscription amount received within 70 days from the Issue Closing Date, in the event the minimum subscription including

devolvement obligation paid by the Underwriter has not been received within 60 days of the Issue Closing Date (in case the Issue is underwritten).

Notices

All notices to the Eligible Equity Shareholder(s) required to be given by our Company shall be published in one English language national daily newspaper, one Hindi national daily newspaper and one regional language daily newspaper with wide circulation in Kolhapur, Maharashtra and/or, will be sent by post to the registered address of the Eligible Equity Shareholders in India or the Indian address provided by the Eligible Equity Shareholders from time to time.

Offer to Non-Resident Equity Shareholders/Applicants/Foreign Institutional investors

As per Regulation 6 of Notification No. FEMA 20/200-RB dated May 3, 2000, the RBI has given general permission to Indian companies to issue the Rights Equity Shares to non-resident shareholders including additional securities. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be *inter alia*, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of application moneys, allotment of the Rights Equity Shares and issue of letter of allotment. **The Abridged Letter of Offer and the CAF shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only.** If an NR or NRI Applicants has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form. The Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of the Rights Equity Shares. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original shares against which the Rights Equity Shares are issued on rights basis.

In case of change of status of holders i.e. from Resident to Non-Resident, a new demat account must be opened.

DETAILS OF SEPARATE COLLECTING CENTRES FOR NON-RESIDENT APPLICATIONS SHALL BE PRINTED ON THE CAF.

No Offer in the United States

The Rights Entitlements and the Rights Equity Shares of our Company have not been and will not be registered under the United States Securities Act of 1933, as amended, ("**Securities Act**"), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof, ("**United States**" or "**U.S.**"), or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act, ("**Regulation S**"), except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in this Letter of Offer are being offered in India, but not in the United States. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or rights. Accordingly, this Letter of Offer and the enclosed CAF should not be forwarded to or transmitted in or into the United States at any time. Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is, either a "U.S. person" (as defined in Regulation S) or otherwise in the United States when the buy order is made. Envelopes containing a CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer, and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India. Our Company is making this Issue of the Rights Equity Shares on a rights basis to its Eligible Equity Shareholders and the Abridged Letter of Offer and the CAF will be dispatched to the Eligible Equity Shareholders who have an Indian address.

Any person who acquires rights and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed, (i) that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made, (ii) it is not a "U.S. person" (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the United States, and (iii) is authorised to acquire the rights and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any CAF which: (i) does not include the certification set out in the CAF to the effect that the subscriber is not a "U.S. person" (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the US and is authorized to

acquire the rights and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to our Company or its agents to have been executed in or dispatched from the US; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that the CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Our Company is informed that there is no objection to a US shareholder selling its rights in India. Rights Entitlement may not be transferred or sold to any U.S. person.

PROCEDURE FOR APPLICATION

How to Apply

The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speed post at least three days before the Issue Opening Date. In case the original CAFs are not received by the Applicant or is misplaced by the Applicant, the Applicant may request the Registrars to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and their full name and address. In case the signature of the Equity Shareholder(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB Applicants, Non-Institutional Investors (including all companies and bodies corporate) and other Applicants whose application amount exceeds Rs. 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIB Applicants and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed Rs. 2,00,000.

Accordingly, an eligible ASBA Investor is an Applicant who:

- holds the Equity Shares in dematerialised form as on the Record Date and has applied towards his/her Rights Entitlements or additional Rights Equity Shares in the Issue in dematerialised form;
- has not renounced his/her Rights Entitlements in full or in part;
- is not a Renouncee to the issue; and
- applies through a bank account maintained with at least one of the SCSBs

Please note that all (i) who have applied through split application forms, (ii) who have renounced their Rights Entitlement and (ii) Renouncees (including the Renouncees who are Individuals), shall apply in the Issue only through the non-ASBA process.

Retail Individual Investors may optionally apply through the ASBA process, provided that they are eligible ASBA Investors.

The CAF consists of four parts:

Part A: Form for accepting the Rights Equity Shares offered as a part of this Issue, in full or in part, and for applying for additional Rights Equity Shares;
Part B: Form for renunciation of Rights Equity Shares;
Part C: Form for application of the Rights Equity Shares by the Renouncees; and
Part D: Form for request for the SAFs.

Please note that neither the Company nor the Registrar to the Issue, shall be responsible for any delay in the receipt of the CAF/duplicate CAF which is attributable to postal delays or if the CAF/duplicate CAF are misplaced in transit.

Options available to the Eligible Equity Shareholders

The CAFs will clearly indicate the number of the Rights Equity Shares that the Eligible Equity Shareholder is entitled to. If the Eligible Equity Shareholder applies for an investment in the Issue, then he can:

- A. Apply for his Rights Entitlement in full;
- B. Apply for his Rights Entitlement in part (without renouncing the other part);
- C. Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- D. Renounce his entire Rights Entitlement to one or more renouncees; or
- E. Apply for his Rights Entitlement in part and renounce the other part.

Options A and B: Acceptance of the Rights Entitlement

The Eligible Equity Shareholders may accept their Rights Entitlement and apply for the Rights Equity Shares offered, either (i) in full or (ii) in part, without renouncing the other part, by completing Part A of the CAF. For details in relation to submission of the CAF and mode of payment please refer to the chapter titled "*Terms of the Issue - Submission of Application and Modes of Payment for the Issue*" on page 179.

Option C: Acceptance of the Rights Entitlement and Application for Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you have applied for all the Rights Equity Shares offered to you without renouncing them in whole or in part in favor of any other person(s). Applications for additional Rights Equity Shares shall be considered, and the allotment shall be made at the sole discretion of the Board/ Committee of the Board, subject to sectoral caps and in consultation, if necessary, with the Designated Stock Exchange and in the manner prescribed under the section titled "*Terms of the Issue - Basis of Allotment*" on page 165.

If you desire to apply for additional Rights Equity Shares, please indicate your requirement in the place provided for additional Rights Equity Shares in Part A of the CAF. Any Renouncee applying for all the Rights Equity Shares renounced in their favor may also apply for additional Rights Equity Shares.

Where the number of additional Rights Equity Shares applied for exceeds the number available for allotment, the allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Options D and E: Renunciation of the Rights Entitlement

This Issue includes a right exercisable by you to renounce the Rights Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not allot and/or register the Rights Equity Shares in favour of the following Renouncees:

- More than three persons, including joint holders;
- Partnership firms or their nominees, (partners of the partnership firm are eligible for allotment of the Rights Equity Shares if they have applied for the same in their individual capacity as partners of such firm);
- Minors other than who have a valid beneficiary account, as per demographic details provided by Depositories;
- Hindu Undivided Families (HUFs) (karta of a HUF are eligible for allotment of the Rights Equity Shares if they have applied for the same on behalf of or for the benefit of the HUF); or
- Any trusts or societies (unless registered under the Societies Registration Act, 1860 or the Indian Trusts Act, 1882 or any other law applicable to trusts and societies and subject further to the trusts or society being authorised under its constitution or bye-laws to hold equity shares of a company, as the case may be);
- Any person or entity in the United States or to, or for the account or benefit of, a "U.S. Person" (as defined in Regulation S); or
- Any person situated or subject to jurisdiction where the offering in terms of the Letter of Offer could be illegal or requires compliance with securities laws.

'Part A' of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the enclosed CAF to the Bankers to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation ('Part B' of the CAF) duly filled in shall be conclusive evidence for our Company of the Renouncees applying for the Rights Equity Shares in 'Part C' of the CAF to receive allotment of such Rights Equity Shares. The Renouncees applying for all the Rights Equity Shares renounced in their favour may also apply for additional Rights Equity Shares. 'Part A' of the CAF must not be used by the Renouncee(s) as this will render the application invalid. The Renouncee(s) will have no further right to renounce any Rights Equity Shares in favour of any other person.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). The

Renouncee(s), applying for the Equity Shares renounced in their favor, can also apply for additional Rights Equity Shares in the Issue. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation, if necessary, with the Designated Stock Exchange and in the manner prescribed under the section titled "*Terms of the Issue – Basis of Allotment*" on page 165. If you desire to apply for additional Rights Equity Shares, please indicate your requirement in the place provided for additional Rights Equity Shares in Part A of the CAF. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

The Eligible Equity Shareholders whose fractional Rights Entitlements are being ignored would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Those Eligible Equity Shareholders who have a holding of less than 39 Equity Shares and therefore entitled to zero Rights Equity Shares will be given a preference for allotment of one additional Rights Share if he has applied for the same. For further details please refer to the section titled "*Terms of the Issue – Basis of Allotment*" on page 165.

Applications by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies ("**OCBs**"), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003. Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of the Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. The Eligible Equity Shareholders renouncing their rights in favour of OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Renunciation by and/or in favor of Non Residents

Any renunciation: (i) from resident Indian equity shareholder(s) to non-resident(s); (ii) from non-resident equity shareholder(s) to resident Indian(s); or (iii) from a non-resident equity shareholder(s) to other non-resident(s), and subscription of Equity Shares by such renounce(s) are subject to the renouncer(s)/renouncee(s) obtaining the necessary regulatory approvals.

The Company has submitted an application on August 20, 2014 to the RBI for seeking approval for renunciation of the Rights Entitlement by (a) an Equity Shareholder resident in India, in favour of any person resident outside India (other than OCBs); (b) an Equity Shareholder resident outside India (other than OCBs), in favour of any person resident in India; and (c) an Equity Shareholder resident outside India (other than OCBs), in favour of any other person resident outside India (other than OCBs).

Procedure for renunciation

To renounce all the Rights Equity Shares offered to an Eligible Equity shareholder in favour of one Renouncee

If you wish to renounce the offer indicated in 'Part A', in whole, please complete 'Part B' of the CAF. In case of joint holding, all joint holders must sign 'Part B' of the CAF. The person in whose favour renunciation has been made should complete and sign 'Part C' of the CAF. In case of joint Renouncees, all joint Renouncees must sign part C of the CAF.

To renounce in part/or renounce the whole to more than one person(s)

If you wish to either accept this offer in part and renounce the balance or renounce the entire offer under this Issue in favour of two or more Renouncees, the CAF must be first split into requisite number of forms. Please indicate your requirement of the SAFs, in the space provided for this purpose in 'Part D' of the CAF and return the entire CAF to the Registrar to the Issue so as to

reach them latest by the close of business hours on the last date of receiving requests for the SAFs, i.e. May 18, 2016. On receipt of the required number of the SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed. In case the signature of the Eligible Equity Shareholder(s), who has renounced the Rights Equity Shares, does not match with the specimen registered with our Company, the application is liable to be rejected.

Renouncee(s)

The person(s) in whose favour the Rights Equity Shares are renounced should fill in and sign 'Part C' of the CAF and submit the entire CAF to the Bankers to the Issue on or before the Issue Closing Date along with the application money in full. A Renouncee cannot further renounce.

Change and/or introduction of additional holders

If you wish to apply for the Rights Equity Shares jointly with any other person(s), not more than three, who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above, shall have to be followed. However, this right of renunciation is subject to the express condition that the Board shall be entitled in its absolute discretion to reject the request for allotment from the Renouncee(s) without assigning any reason thereof. All such applications will be treated as applications from the Renouncees and shall have to be made through the non-ASBA process only to be considered valid for allotment. Please also see section titled "*Terms of the Issue – Basis of Allotment*" on page 165.

Instructions for Filling the CAF

The summary of options available to the Eligible Equity Shareholder is presented below. You may exercise any of the following options with regard to the Rights Equity Shares offered, by using the CAF as detailed herein:

Option Available	Action Required
1. Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A (<i>All joint holders must sign</i>)
2. Accept your Rights Entitlement in full and apply for additional Rights Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Rights Equity Shares (<i>All joint holders must sign</i>)
3. Renounce your Rights Entitlement in full to one person (<i>Joint Renouncees are considered as one</i>).	Fill in and sign Part B (<i>all joint holders must sign</i>) indicating the number of Rights Equity Shares renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C (<i>All joint Renouncees must sign</i>)
4. Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s) OR Renounce your Rights Entitlement of all the Rights Equity Shares offered to you to more than one Renouncee	Fill in and sign Part D (<i>all joint holders must sign</i>) requesting for the SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for the SAFs. Splitting will be permitted only once. On receipt of the SAF take action as indicated below. For the Rights Equity Shares you wish to accept, if any, fill in and sign Part A. For the Rights Equity Shares you wish to renounce, fill in and sign Part B indicating the number of the Rights Equity Shares renounced and hand it over to the Renouncee. Each of the Renouncee should fill in and sign Part C for the Rights Equity Shares accepted by them.
5. Introduce a joint holder or change the sequence of joint holders	This will be treated as a renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.

Applicants must provide information in the CAF as to their savings bank/current account number and the name of the bank with whom such account is held, to enable the Registrar to print the said details in the refund orders after the names of the payee(s) in case of the Equity Shares held in the physical form. Failure to comply with this may lead to rejection of the application. Bank account details furnished by the Depositories will be printed on the refund warrant in case of the Equity Shares held in electronic form.

Please note that:

- Options 3 – 5 will not be available for Equity Shareholders applying through the ASBA process
- 'Part A' of the CAF must not be used by any person(s) other than the Eligible Equity Shareholders to whom this Letter of Offer has been addressed. If used, this will render the application invalid.
- Request for the SAFs or SAF should be made for a minimum of one Rights Share or in multiples thereof.
- A request by the Applicant for the SAF should reach our Company on or before May 18, 2016.
- Only the Eligible Equity Shareholders to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for the SAFs. Forms once split cannot be split further.
- The SAFs will be sent to the applicant(s) by post at the Applicant's risk.
- While applying for or renouncing their Rights Entitlement, joint holders must sign in the same order and as per the specimen signatures registered with our Company or the Depositories.
- In the case of a renunciation, the submission of the CAF to the Bankers to the Issue at the collecting branches specified on the reverse of the CAF together with Part B of the CAF duly completed shall be conclusive evidence of the right of the person applying for the Rights Equity Shares to receive allotment of such Rights Equity Shares.
- The Eligible Equity Shareholders may not renounce in favour of persons or entities in the United States, who would otherwise be prohibited from being offered or subscribing for the Rights Equity Shares or the Rights Entitlement under applicable securities laws.
- Non-resident Equity Shareholders: Application(s) received from Non-Resident/ NRIs, or persons of Indian origin residing abroad for allotment of the Equity Shares Allotted as a part of this Issue shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of equity shares, subsequent issue and allotment of equity shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Eligible Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF.

Applicants must write their CAF Number at the back of the cheque/demand.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by the Applicant, the Registrar to the Issue will issue a duplicate CAF on the request of the Applicant who should furnish the registered folio number/ DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue within 8 days from the Issue Opening Date. Please note that those who are making the application in the duplicate CAF should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the applicant violates any of these requirements, he / she shall face the risk of rejection of both the CAFs.

Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of duplicate CAF in transit, if any.

Application on Plain Paper

An Eligible Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with demand / cheque / pay order payable at Mumbai which should be drawn in favor of the "Polson Limited- Rights Issue - R" in case of resident shareholders/applicants and shareholders/applicants applying on non repatriable basis or "Polson Limited - Rights Issue - NR" in case of non-resident shareholders applying on repatriable basis and the Eligible Equity Shareholders should send the same by registered post / speed post directly to the Registrar to the Issue. The envelope should be superscribed "Polson Limited – Rights Issue - R" in case of resident shareholders/applicants or shareholders/applicants applying on non repatriable basis or "Polson Limited - Rights Issue -NR" in case of non-resident shareholders/applicants applying on repatriable basis and should be postmarked in India.

The application on plain paper, duly signed by the Applicants including joint holders, in the same order as per specimen recorded with our Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of the Company, being Polson Limited;
- Name and address of the Eligible Equity Shareholder including joint holders;
- Registered Folio Number/DP and Client ID no.;
- Number of the Equity Shares held as on Record Date;
- Number of the Rights Equity Shares entitled to;
- Number of the Rights Equity Shares applied for;
- Share certificate numbers and distinctive numbers, if the Equity Shares on the Record Date are held in physical form;
- Number of additional Rights Equity Shares applied for, if any;
- Allotment option preferred for the Rights Equity Shares - Physical or Demat (Rights Equity Shares will be allotted in physical form only if the Equity Shares held on the Record Date i.e. April 06, 2016 are in the physical form)
- Total number of the Rights Equity Shares applied for;
- The total amount paid at the rate of Rs. 5600 per Rights Equity Share;
- Particulars of demand /cheque/pay order;
- In case of the Equity Shares allotted in physical form, Savings/Current Account Number and name and address of the bank where the Eligible Equity Shareholder will be depositing the refund order (In case of the Equity Shares allotted in demat mode, the bank account details will be obtained from the information available with the depositories);
- Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, PAN of the Applicant and for each Applicant in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue; subject to submitting sufficient documentary evidence in support of their claim for exemption, provided that such transactions are undertaken on behalf of the Central and State Government and not in their personal capacity;
- Signature of the Eligible Equity Shareholders to appear in the same sequence and order as they appear in the records of our Company or the Depositories;
- In case of Non Resident Shareholders, NRE/ FCNR/ NRO A/c No. Name and Address of the Bank and Branch;
- If payment is made by a purchased from NRE/ FCNR/ NRO A/c No., as the case may be, an Account debit certificate from the bank issuing the, confirming that the has been issued by debiting NRE/ FCNR/ NRO Account;
- A representation that the Eligible Equity Shareholder is not a "U.S. Person" (as defined in Regulation S under the Securities Act);
- For ASBA Investors, the Application on plain paper should contain details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB.
- Additionally, Non Resident applicants shall include the representation in writing that:
 1. "I/We understand that the Rights Entitlement have not been, and will not be, registered under the United States Securities Act of 1933, as amended, ("**US Securities Act**"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof or to, or for the account or benefit of, "**U.S. Persons**" (as defined in Regulation S under the US Securities Act), except in a transaction exempt from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Equity Shares referred to in this application are being offered in India but not in

the United States of America. None of our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company has reason to believe is, a resident of the United States and to whom an offer, if made, would result in requiring registration of this application with the United States Securities and Exchange Commission.

2. **I/We will** not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is **unlawful to** make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.
3. I/We understand and agree that the Rights Equity Shares may not be re-offered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act."

Please note that the Eligible Equity Shareholders who are making an application otherwise than on a CAF, (i.e., on plain paper as stated above on page 184), shall not be entitled to renounce their rights and should not utilize the CAF for any purpose, including renunciation, even if it is received subsequently. If the Eligible Equity Shareholder does not comply with any of these requirements, he/she shall face the risk of rejection of both the applications and the application money received shall be refunded. However, our Company and/or any Director(s) of our Company will, notwithstanding anything to the contrary contained herein, not be liable to pay any interest whatsoever on the Application Money so refunded.

The Eligible Equity Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in the application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to such Eligible Equity Shareholders.

General instructions for Applicants

- (a) Please read the instructions printed on the CAF carefully.
- (b) Application should be made on the printed CAF, provided by our Company except as mentioned under the head application on plain paper and should be completed in all respects. For further details see section titled "*Terms of the Issue - Application on Plain Paper*" on page 184. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of this Letter of Offer, the Letter of Offer and/or the Abridged Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Applicants, details of occupation, address, father's / husband's name must be filled in block letters.
- (c) The CAF together with cheque/demand draft should be submitted to the Bankers to the Issue/ collecting branch of the Escrow Collection Bank(s) or dispatched to the Registrar to the Issue and not to our Company or Lead Manager to the Issue. Applicants residing at places other than cities where the branches of the Bankers to the Issue have been authorised by our Company for collecting applications, will have to make payment by Demand Draft payable at Mumbai and send their CAFs to the Registrar to the Issue by REGISTERED POST. If any portion of the CAF is/are detached or separated, such application is liable to be rejected. All CAFS along with the Demand Drafts will need to reach the Registrar on or before the Issue Closing Date to be considered valid for allotment.
- (d) Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, PAN of the Applicant and for each Applicant in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue, must be submitted along with the CAF. The CAF without a PAN will be considered incomplete and is liable to be rejected, subject to submitting sufficient documentary evidence in support of their claim for exemption, provided that such transactions are undertaken on behalf of the Central and State Government and not in their personal capacity. However, in case of an Applicant who is exempt from holding a PAN and has made an application(s) for Rights Share(s) in physical form, it is the liability of the Applicant(s) to submit sufficient supporting documents, on or before the Issue Closing Date with the Registrar for evidencing such exemption. In the

absence of such supporting documents, the application is liable to be rejected.

- (e) Applicants are advised that it is mandatory to provide information as to their savings/current account number and the name of the bank with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees for the Equity Shares held in the physical form. Application not containing such details is liable to be rejected. For the Eligible Equity Shareholders holding the Equity Shares in dematerialized form, such bank details will be drawn from the demographic details of the Eligible Equity Shareholder in the records of the Depository.
- (f) All payments should be made by cheque/demand draft only. Application through the ASBA process as mentioned above is acceptable. Cash payment is not acceptable. In case payment is effected in contravention of this requirement, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company.
- (g) In case of an application under power of attorney and / or by a body corporate or by a society, a certified true copy of the relevant power of attorney and / or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum and Articles of Association and/or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with our Company, the same need not be furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are received by the Registrar to the Issue after the Issue Closing Date, then the application is liable to be rejected. **In no case should these papers be attached to the application submitted to the Bankers to the Issue.**
- (h) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company. Further, in case of joint Applicants who are the Renouncees, the number of Applicants should not exceed three. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

Application(s) received from Non-Resident / NRIs, or persons of Indian origin residing abroad for allotment of the Rights Equity Shares shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of equity shares, subsequent issue and allotment of equity shares, interest and export of share certificates. In case a Non-Resident or NRI Eligible Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, Applications will not be accepted from NRs/NRIs in the United States or its territories and possessions, or any other jurisdiction where the offer or sale of the Rights Entitlements and the Rights Equity Shares may be restricted by applicable securities laws. **The Abridged Letter of Offer and the CAF shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only.**

- (i) All communication in connection with application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of allotment in this Issue quoting the name of the first/sole Applicant, folio numbers and CAF number. Please note that any intimation for change of address of the Eligible Equity Shareholders, after the date of allotment, should be sent to the Registrar and Transfer Agents of our Company, in the case of the Equity Shares held in physical form and to the respective depository participant, in case of the Equity Shares held in dematerialized form.
- (j) Payment by cash: The Registrar will not accept any payments against any applications, if made in cash. In case payment is effected in contravention of this requirement, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
- (k) The SAFs cannot be re-split.
- (l) Only the person or persons to whom the Rights Equity Shares have been offered and not Renouncee(s) shall be entitled to obtain the SAFs.

- (m) Applicants must write their CAF number at the back of the cheque /demand draft.
- (n) Only one mode of payment per application should be used. The payment must be by cheque / demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the Bankers Clearing House located at the centre indicated on the reverse of the CAF where the application is to be submitted.
- (o) A separate cheque / draft must accompany each CAF. Outstation cheques / demand drafts or post- dated cheques and postal / money orders will not be accepted and applications accompanied by such cheques / demand drafts / money orders or postal orders will be rejected. The Registrar will not accept payment against application if made in cash.
- (p) No receipt will be issued for application money received. The Bankers to the Issue / collecting branch of the Escrow Collection Bank(s) / Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.
- (q) An applicant which is a mutual fund can make a separate application in respect of each scheme of the mutual fund registered with SEBI and such applications in respect of more than one scheme of the mutual fund shall not be treated as multiple applications provided that the application clearly indicate the scheme concerned for which the application has been made. The application made by the asset management company or custodian of a mutual fund shall clearly indicate the name of the concerned scheme for which the application is made.
- (r) The distribution of this Letter of Offer and issue of the Rights Equity Shares and Rights Entitlements to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in the United States and such other jurisdictions are instructed to disregard this Letter of Offer and not to attempt to subscribe for the Rights Equity Shares.

Do's for non-ASBA Investors:

- (a) Check if you are eligible to apply i.e. you are an Equity Shareholder on the Record Date;
- (b) Read all the instructions carefully and ensure that the cheque/ draft option is selected in part A of the CAF and necessary details are filled in;
- (c) In the event you hold the Equity Shares in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only;
- (d) Ensure that your Indian address is available to our Company and the Registrar, in case you hold the Equity Shares in physical form or the depository participant, in case you hold the Equity Shares in dematerialized form;
- (e) Ensure that the value of the cheque / draft submitted by you is equal to the (number of the Equity Shares applied for) X (Issue Price of the Equity Shares, as the case may be) before submission of the CAF;
- (f) Ensure that you receive an acknowledgement from the collection centers of the collection bank for your submission of the CAF in physical form;
- (g) Ensure that you mention your PAN allotted under the I.T. Act with the CAF, except for Applications on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts. Please ensure that the PAN for all joint holders have been mentioned on the CAF, in the absence of which the application is liable to be rejected;
- (h) Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF;
- (i) Ensure that the demographic details with your Depository Participant(s) are updated, true and correct, in all respects.

Don'ts for non-ASBA Investors:

- (a) Do not apply if you are in the United States of America or are not eligible to participate in the Issue in accordance with the securities laws applicable to your jurisdiction;

- (b) Do not apply on duplicate CAF after you have submitted a CAF to a collection center of the collection bank;
- (c) Do not pay the amount payable on application in cash, by money order or by postal order;
- (d) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- (e) Do not submit Applications accompanied with Stock invest.

SUBMISSION OF APPLICATION AND MODES OF PAYMENT FOR THE ISSUE (OTHER THAN ASBA APPLICANTS)

Applicants who are Resident Equity Shareholders

1. Applicants who are applying through CAF and residing at places where the bank collection centres have been opened for collecting applications, are requested to submit their applications at the corresponding collection centre together with cheque/bank demand draft drawn on any bank (including a co-operative bank), for the full application amount favouring "Polson Limited - Rights Issue - R" and marked 'A/c Payee only'.
2. Applicants who are applying through CAF and residing at places other than places where the bank collection centers have been opened for collecting applications, are requested to send their applications together with a demand draft of full amount net of bank and postal charges favouring "Polson Limited -Rights Issue - R" and marked 'A/c Payee only' payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.
3. Applicants who are applying on plain paper, are requested to send their applications on plain paper together with a demand draft of full amount for the Rights Equity Shares favouring "Polson Limited - Rights Issue - R" and marked 'A/c Payee only' payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Applicants who are Non-Resident Equity Shareholders

Application with repatriation benefits

Applicants who are Non-Resident Equity Shareholders and are applying on a repatriation basis, are required to submit the completed CAF or application on plain paper, as the case may be, along with the payment made through any of the following ways:

1. By Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate).
2. By Local cheque / bank drafts remitted through normal banking channels or out of funds held in Non-Resident External Account (NRE) or FCNR Account maintained with banks authorized to deal in foreign currency in India, along with documentary evidence in support of remittance.
3. FIIs registered with SEBI must remit funds from special non-resident rupee deposit account.
4. For the Eligible Equity Shareholders / Applicants, applying through CAF, the CAF is to be sent at the bank collection centre specified in the CAF along with cheques/drafts in favour of "Polson Limited - Rights Issue - NR" and crossed 'A/c Payee only' for the amount payable.
5. For the Eligible Equity Shareholders / Applicants, applying on a plain paper, the applications are to be directly sent to the Registrar to the Issue by registered post along with drafts in favour of "Polson Limited-Rights Issue - NR" payable at Mumbai and crossed 'A/c Payee only' for the amount payable so as to reach them on or before the Issue Closing Date.
6. For the Eligible Equity Shareholders/ Applicants applying through CAF but not residing at places where the collection centre is located, shall send the CAF to the Registrar to the Issue by registered post along with drafts of the full amount net of bank and postal charges in favour of "Polson Limited -Rights Issue - NR" payable at Mumbai and crossed 'A/c Payee only' for the amount payable so as to reach them on or before the Issue Closing Date.

A separate cheque or bank draft must accompany each application form. All payments should be made by cheque/bank demand draft/pay order drawn on any bank, (including a co-operative bank), which is situated at and is a member or a sub-member of the bankers clearing house located at the center where the CAF is accepted. Outstation cheques /money orders/postal orders will not be accepted and the CAFs accompanied by such cheque/money orders/postal orders are liable to be rejected. The Registrar to the Issue will not accept any payments against applications, if such payments are made in cash. Applicants may note that where payment is made by drafts purchased from NRE/FCNR accounts as the case may be, an Account Debit Certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR account should be enclosed with the CAF. In the absence of the above the application shall be considered incomplete and is liable to be rejected.

Pursuant to the RBI Circular DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the Stock invest scheme has been withdrawn and accordingly, payment through Stockinvest will not be accepted in the Issue.

In the case of NRIs who remit their application money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account details of which should be furnished in the appropriate columns in the CAF. In the case of NRIs who remit their application money through Indian Rupee Drafts from abroad, refunds and other disbursements, if any will be made in U.S Dollars at the rate of exchange prevailing at such time subject to the permission of RBI. Our Company will not be liable for any loss on account of exchange rate fluctuation for converting the Rupee amount into U.S. Dollar or for collection charges charged by the applicant's Bankers.

Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of application in transit, if any.

Payments through Non Resident Ordinary Account (NRO account) will not be permitted. Application without repatriation benefits

For Non Resident Eligible Equity Shareholders/Applicants applying on a non-repatriation basis, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained and can be deposited at the designated collection centers opened by our Company or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. **In such cases, the allotment of the Rights Equity Shares will be on non-repatriation basis.**

For Non Resident Equity Shareholders/Applicants, applying through the CAF, the CAF is to be sent at the bank collection centre specified in the CAF along with cheques/demand drafts drawn for the full amount after deducting bank and postal charges in favor of "Polson Limited -Rights Issue - R" and crossed 'A/c Payee only' for the amount payable.

For Non Resident Eligible Equity Shareholders/Applicants, applying on a plain paper, the applications are to be directly sent to the Registrar to the Issue by registered post along with demand drafts drawn in favor of "Polson Limited -Rights Issue - R" payable at Mumbai to be confirmed for so as to reach them on or before the Issue Closing Date.

For Non Resident Eligible Equity Shareholders/ Applicants applying through the CAF but not residing at places where the collection centre is located, shall send the CAF to the Registrar to the Issue by registered post along with drafts net of banking and postal charges of an amount in favour of "Polson Limited-Rights Issue - R" payable at Mumbai for the amount payable so as to reach them on or before the Issue Closing Date.

If the payment is made by a draft purchased from an NRO account, an Account Debit Certificate from the bank issuing the draft, confirming that the draft has been issued by debiting the NRO account, should be enclosed with the CAF. In the absence of the above, the application shall be considered incomplete and is liable to be rejected.

New demat account shall be opened for holders who have had a change in status from Resident Indian to NRI. Any application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected.

Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of application in transit, if any, on this account and applications received through mail after closure of the Issue are liable to be rejected. Applications through mails should not be sent in any other manner except as mentioned above. The CAF along with the application money must not be sent to our Company or the Lead Manager or the Registrar. Applicants are requested to strictly adhere to these instructions.

The Renouncees who are NRIs/FIIs/Non-Resident should submit their respective applications either by hand delivery or by registered post / speed post with acknowledgement due to the Registrar to the

Issue only along with the cheque/demand draft payable at Mumbai so that the same are received on or before the closure of the Issue.

The Reserve Bank of India has issued standard operating procedure in terms of paragraph 2(a) of RBI circular number DPSS. CO. CHD. No./133/04.07.05/2013-14 dated July 16, 2013, detailing the procedure for processing CTS 2010 and Non-CTS 2010 instruments in the three CTS grid locations. As per this circular, processing of non-CTS cheques shall be done only on three days of the week.

In order to enable to ensure listing of Equity Shares issued and allotted pursuant to this Issue in a timely manner, investors are advised to use CTS cheques or use ASBA facility to make payment.

Investors using non-CTS cheques are cautioned that applications accompanied by such cheques are liable to be rejected due to any clearing delays beyond 6 Working Days from the date of the closure of the Issue.

PROCEDURE FOR APPLICATION THROUGH THE APPLICATIONS SUPPORTED BY BLOCKED AMOUNT ("ASBA") PROCESS

This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. Our Company and the Lead Managers are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. The Eligible Equity Shareholders who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up and also ensure that the number of the Rights Equity Shares applied for by such Eligible Equity Shareholders do not exceed the applicable limits under laws or regulations.

The Lead Manager, our Company, its directors, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions in relation to applications accepted by SCSBs, Applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process is provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>. For details on designated branches of SCSB collecting the CAF, please refer the above mentioned SEBI link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications

Eligible Equity Shareholders who are eligible to apply under the ASBA Process

The option of applying for the Rights Equity Shares in the Issue through the ASBA Process is only available to the Eligible Equity Shareholders of our Company on the Record Date and who:

- holds the Equity Shares in dematerialised form as on the Record Date and has applied towards his/her Rights Entitlements or additional Rights Equity Shares in the Issue in dematerialised form;
- has not renounced his/her Rights Entitlements in full or in part;
- is not a Renouncee to the issue; and
- applies through a bank account maintained with at least one of the SCSBs

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB Applicants, Non-Institutional Investors (including all companies and bodies corporate) and other Applicants whose application amount exceeds Rs. 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIB Applicants and Non-Institutional

Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed Rs. 2,00,000.

Please note that all (i) who have applied through split application forms, (ii) who have renounced their Rights Entitlement and (ii) Renouncees (including the Renouncees who are Individuals), shall apply in the Issue only through the non-ASBA process.

Retail Individual Investors may optionally apply through the ASBA process, provided that they are eligible ASBA Investors.

CAF

The Registrar will dispatch the CAF to all the Eligible Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Eligible Equity Shareholders who wish to apply through the ASBA payment mechanism will have to select for this mechanism in Part A of the CAF, provide necessary details, and submit the same to the SCSB with whom such applicant's bank account is maintained. The SCSB in turn would block the application amount in the Applicant's account as per the authority contained in the CAF and undertake other tasks as per the specified procedures signifying blocking of the relevant application monies on the CAF.

Submission of the CAF / Plain Paper Application

The Eligible Equity Shareholders desiring to use the ASBA Process are required to submit their applications by selecting the ASBA Option in Part A of the CAF only or in plain paper Application and indicate that they wish to apply through the ASBA payment mechanism. On submission of the CAF after selecting the ASBA Option in Part A or plain paper Applications indicating application through the ASBA payment mechanism, the Eligible Equity Shareholders are deemed to have authorized (i) the SCSB to do all acts as are necessary to make the CAF in the Issue, including blocking or unblocking of funds in the bank account maintained with the SCSB specified in the CAF or the plain paper, transfer of funds to the separate bank account maintained by our Company as per the provisions of Section 40(3) of the Companies Act, 2013 on receipt of instruction from the Registrar to the Issue after finalization of the Basis of Allotment; and (ii) the Registrar to the Issue to issue instructions to the SCSB to remove the block on the funds in the bank account specified in the CAF or plain paper, upon finalization of the Basis of Allotment and to transfer the requisite funds to the separate bank account maintained by our Company as per the provisions of Section 40(3) of the Companies Act, 2013.

Application in electronic mode will only be available with such SCSB who provides such facility. The Equity Shareholder shall submit the CAF/ plain paper Application to the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. However, no more than five (5) applications (including the CAF and plain paper Application) can be submitted per bank account in the Issue. In case of withdrawal / failure of the Issue, the Lead Managers, through the Registrar to the Issue, shall notify the SCSBs to unblock the blocked amount of the Equity Shareholder applying through ASBA within one (1) day from the day of receipt of such notification.

The relevant Designated Branch of each SCSB would upon receipt and verification of ASBA Applications and blocking of the relevant application monies upload details of each Application Form received by it on the online-application platform provided by the Stock Exchanges, and issue an acknowledgement to the ASBA Applicant in connection with submission of the ASBA Application.

Mode of payment

The Equity Shareholder applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in a bank account maintained with the SCSB.

After verifying that sufficient funds are available in the bank account provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar. Upon receipt of intimation from the Registrar, the SCSBs shall transfer such amount as per Registrar's instruction allocable to the Eligible Equity Shareholders applying under the ASBA Process from bank account with the SCSB mentioned by the Equity Shareholder in the CAF. This amount will be transferred in terms of the SEBI (ICDR) Regulations, into the separate bank account maintained by our Company as per the provisions of Section 40(3) of the Companies Act, 2013. The balance amount remaining after the finalization of the basis of allotment shall be either unblocked by the SCSBs or refunded to the investors by the Registrar on the basis of the instructions issued in this regard by the Registrar to the Issue and the Lead Managers to the respective SCSB.

The Eligible Equity Shareholders applying under the ASBA Process would be required to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of the CAF if (i) the bank account with the SCSB details of which have been provided by the Equity Shareholder in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF or (ii) more than five (5) applications are submitted per account held with the SCSB in the Issue. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application only on technical grounds.

Options available to the Eligible Equity Shareholders applying under the ASBA Process

The summary of options available to the Eligible Equity Shareholders is presented below. You may exercise any of the following options with regard to the Equity Shares, using the respective CAFs received from Registrar:

Option Available	Action Required
Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A (<i>All joint holders must sign</i>)
Accept your Rights Entitlement in full and apply for additional Rights Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Rights Equity Shares (<i>All joint holders must sign</i>)

The Equity Shareholder applying under the ASBA Process will need to select the ASBA option in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the SCSB with the relevant details required under the ASBA option and SCSB blocks the requisite amount, then that CAF would be treated as if the Equity Shareholder has selected to apply through the ASBA option.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above the number of the Rights Equity Shares that you are entitled to, provided that you have applied for all the Rights Equity Shares (as the case may be) offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under the section titled "*Terms of the Issue – Basis of Allotment*" on page 165.

If you desire to apply for additional Rights Equity Shares please indicate your requirement in the place provided for additional Rights Equity Shares in Part A of the CAF.

Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Renunciation under the ASBA Process

Renouncees cannot participate in the Issue through the ASBA Process.

Application on Plain Paper

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. The Eligible Equity Shareholders applying on the basis of a plain paper Application are required to indicate their choice of applying under the ASBA Process.

The envelope should be super scribed "Polson Limited– Rights Issue - R" in case of resident shareholders/applicants or shareholders/applicants applying on non repatriable basis or "Polson Limited- Rights Issue -NR" in case of non-resident shareholders/applicants applying on repatriable basis and should be postmarked in India. The application on plain paper, duly signed by the Applicants

including joint holders, in the same order as per specimen recorded with our Company, must reach the Designated Branch of the SCSBs before the Issue Closing Date and should contain the following particulars:

- Name of Company, being Polson Limited;
 - Name and address of the Eligible Equity Shareholder including joint holders;
 - Registered Folio Number/DP and Client ID no.;
 - Number of the Equity Shares held as on Record Date;
 - Number of the Rights Equity Shares entitled to;
 - Number of the Rights Equity Shares applied for;
 - Number of additional Rights Equity Shares applied for, if any;
 - Total number of the Rights Equity Shares applied for;
 - Total amount blocked at the rate of Rs. 5600 per Equity Share;
 - Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, PAN of the Applicant and for each Applicant in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue;
 - Signature of the Eligible Equity Shareholders to appear in the same sequence and order as they appear in the records of our Company or the Depositories;
 - Authorizing such SCSB to block an amount equivalent to the amount payable on the application in such bank account maintained with the same SCSB;
 - In case of non-resident investors, details of the NRE/ FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
 - A representation that the Equity Shareholder is not a "U.S. Person" (as defined in Regulation S under the Securities Act); and
 - Additionally, Non Resident applicants shall include the representation in writing that:
1. "I/We understand that the Rights Entitlement have not been, and will not be, registered under the United States Securities Act of 1933, as amended, ("**US Securities Act**"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof or to, or for the account or benefit of,

"U.S. Persons" (as defined in Regulation S under the US Securities Act), except in a transaction exempt from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Equity Shares referred to in this application are being offered in India but not in the United States of America. None of our Company, the Registrar, the Lead Managers or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the Registrar, the Lead Managers or any other person acting on behalf of our Company has reason to believe is, a resident of the United States and to whom an offer, if made, would result in requiring registration of this application with the United States Securities and Exchange Commission.
 2. I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.
 3. I/We understand and agree that the Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act."

Option to receive the Rights Equity Shares in Dematerialized Form

THE ELIGIBLE EQUITY SHAREHOLDERS UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES OF OUR COMPANY UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE RIGHTS EQUITY SHARES ARE BEING HELD ON RECORD DATE.

Issuance of Intimation Letters:

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue

shall send the Controlling Branches, a list of the ASBA Investors who have been allocated the Rights Equity Shares in the Issue, along with:

- The number of the Rights Equity Shares to be allotted against each successful ASBA;
- The amount to be transferred from the ASBA Account to the separate account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to in above paragraph, shall be transferred to separate account opened by our Company for the Issue; and
- The details of rejected ASBAs, if any, along with reasons for rejection to enable SCSBs to unblock the respective ASBA Accounts.

General instructions for the Eligible Equity Shareholders applying under the ASBA Process

- a. Please read the instructions printed on the respective CAF carefully.
- b. Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer are liable to be rejected. The CAF / plain paper Application must be filled in English.
- c. The CAF / plain paper Application in the ASBA Process should be submitted only at a Designated Branch of the SCSB whose bank account details are provided in the CAF **and not to the Bankers to the Issue/ collecting branch of the Escrow Collection Bank(s)** (assuming that such Collecting Bank is not a SCSB), to our Company or Registrar or Lead Manager to the Issue. **The onus of due completion and submission of such ASBA applications shall solely be that of the applicant.**
- d. All applicants, and in the case of application in joint names, each of the joint applicants, should mention his/her PAN allotted under the Income-Tax Act, 1961, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, **CAFs / plain paper Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no allotment and credit of the Rights Equity Shares shall be made into the accounts of such Investors.**
- e. All payments will be made by blocking the amount in the bank account maintained with the SCSB. Cash payment is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
- f. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Eligible Equity Shareholders must sign the CAF / plain paper Application as per the specimen signature recorded with our Company and/or Depositories.
- g. In case of joint holders, all joint holders must sign the relevant part of the CAF / plain paper Application in the same order and as per the specimen signature(s) recorded with our Company. In case of joint applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- h. All communication in connection with application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of allotment in this Issue quoting the name of the first/sole Applicant, folio number(s) and CAF number.
- i. Only the person or persons to whom the Rights Equity Shares have been offered and not the Renouncee(s) shall be eligible to participate under the ASBA process.
- j. Only persons outside restricted jurisdictions and who are eligible to subscribe for the Rights Entitlement and the Rights Equity Shares under applicable securities laws are eligible to participate.
- k. Only the Eligible Equity Shareholders holding shares in demat are eligible to participate through ASBA process.

- l. The Eligible Equity Shareholders who have renounced their entitlement in part/ full are not entitled to apply using ASBA process.
- m. **Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB Applicants, Non-Institutional Investors (including all companies and bodies corporate) and other Applicants whose application amount exceeds Rs. 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIB Applicants and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed Rs. 2,00,000.**
- n. **Please note that all (i) who have applied through split application forms, (ii) who have renounced their Rights Entitlement and (iii) Renouncees (including the Renouncees who are Individuals), shall apply in the Issue only through the non-ASBA process.**

Do's:

- (a) Ensure that the ASBA Process option is selected in part A of the CAF and necessary details are filled in. In case of non-receipt of the CAF, the application can be made on plain paper indicating application through the ASBA payment mechanism with all necessary details as indicated under the section titled "*Terms of the Issue – Application on Plain Paper*" on page 184.
- (b) Electronic mode is only available with certain SCSBs and not all SCSBs and you should ensure that your SCSB offers such facility to you.
- (c) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be allotted in the dematerialized form only.
- (d) Ensure that the CAFs / plain paper Applications are submitted at the registered branch of the SCSBs for blocking of application monies in the relevant account maintained with such SCSB and details of the correct bank account have been provided in the CAF.
- (e) Ensure that there are sufficient funds (equal to {number of the Rights Equity Shares applied for} X {Issue Price of the Rights Equity Shares}) available in the bank account maintained with the SCSB mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.
- (f) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF / plain paper Application, in the bank account maintained with the respective SCSB, of which details are provided in the CAF / plain paper Application and have signed the same.
- (g) Ensure that you receive an acknowledgement from the SCSB for your submission of the CAF /plain paper Application in physical form or electronic mode.
- (h) Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, each applicant should mention their PAN allotted under the Income Tax Act, 1961.
- (i) Ensure that the name(s) given in the CAF / plain paper Application is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF / plain paper Application is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF / plain paper Application.
- (j) Ensure that the Demographic Details with your Depository Participant(s) are updated, true and correct, in all respects.
- (k) Ensure that the account holder in whose bank account the funds are to be blocked has signed authorizing such funds to be blocked.
- (l) Apply under the ASBA process only if you comply with the definition of an ASBA Investor, namely such Retail Individual Investors who:
 - holds the Equity Shares in dematerialised form as on the Record Date and have applied towards his/her Rights Entitlements or additional Rights Equity Shares in the Issue in dematerialised form;

- have not renounced his/her Rights Entitlements in full or in part;
- are not a Renouncee to the issue; and
- apply through a bank account maintained with SCSBs.

Note: Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Don'ts:

- (a) Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.
- (b) Do not pay the amount payable on application in cash or by money order or by postal order.
- (c) Do not send your physical CAFs / plain paper Applications to the Lead Manager to Issue / Registrar / Collecting Banks (assuming that such Collecting Bank is not a SCSB) / to a branch of the SCSB which is not a Designated Branch of the SCSB / Company; instead submit the same to a Designated Branch of the SCSB only.
- (d) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (e) Do not instruct your respective banks to release the funds blocked under the ASBA Process.
- (f) Do not apply if the ASBA Account has been used for five Applicants.

Grounds for Technical Rejection under the ASBA Process

In addition to the grounds listed under "*Terms of the Issue - Grounds for Technical Rejection*" beginning on page 188, applications under the ASBA Process are liable to be rejected on the following grounds:

- (a) Application for Rights Entitlements or additional shares in physical form.
- (b) DP ID and Client ID mentioned in the CAF / plain paper Application not matching with the DP ID and Client ID records available with the Registrar.
- (c) Sending CAF / plain paper Application to the Lead Manager / Registrar / Collecting Bank (assuming that such Collecting Bank is not a SCSB) / to a branch of a SCSB which is not a Designated Branch of the SCSB / Company.
- (d) Renouncee(s) applying under the ASBA Process.
- (e) Insufficient funds are available with the SCSB for blocking the amount.
- (f) Funds in the bank account with the SCSB whose details are mentioned in the CAF / plain paper Application having been frozen pursuant to regulatory orders.
- (g) Account holder not signing the CAF / plain paper Application or declaration mentioned therein.
- (h) Submitting the GIR number instead of the PAN.
- (i) Submission of more than five CAFs per ASBA Account
- (j) Applications by investors who are not eligible ASBA Investors made through the ASBA process.
- (k) Application on the SAF.
- (l) CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in restricted jurisdictions and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations.
- (m) CAFs which have evidence of being executed in/dispatched from restricted jurisdiction.
- (n) QIBs and Non Institutional Investors who are eligible ASBA Investors (as per the conditions of the SEBI circular dated December 30, 2009) not applying through the ASBA process. Non Retail

Investors having bank account with SCSBs that are providing ASBA in cities/ centers where Non Retail Investors are located, are mandatorily required to make use of ASBA facility. Otherwise, applications of such Non-Retail Investors are liable for rejection.

- (o) The application by an Eligible Equity Shareholder whose cumulative value of the Rights Equity Shares applied for is more than Rs. 200,000 but has applied separately through split CAFs of less than Rs. 200,000 and has not done so through the ASBA process.
- (p) Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB Applicants, Non-Institutional Investors (including all companies and bodies corporate) and other Applicants whose application amount exceeds Rs. 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIB Applicants and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed Rs. 2,00,000. Non Retail Investors having bank account with SCSBs that are providing ASBA in cities/ centers where Non Retail Investors are located, are mandatorily required to make use of ASBA facility. Otherwise, applications of such Non Retail Investors are liable for rejection. All Non Retail Investors are encouraged to make use of ASBA facility wherever such facility is available.
- (q) Multiple CAFs, including cases where an Investor submits the CAFs along with a plain paper Application
- (r) Applications by persons not competent to contract under the Contract Act, 1872, as amended, including by minors other than minors who have a valid beneficiary account, as per demographic details provided by Depositories.

Depository account and bank details for the Eligible Equity Shareholders applying under the ASBA Process

IT IS MANDATORY FOR ALL THE ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM. ALL THE ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF / PLAIN PAPER APPLICATION. THE ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF / PLAIN PAPER APPLICATION IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF / PLAIN PAPER APPLICATION IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF / PLAIN PAPER APPLICATION.

The Eligible Equity Shareholders applying under the ASBA Process should note that on the basis of name of these Eligible Equity Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF / plain paper Application, the Registrar to the Issue will obtain from the Depositories demographic details of these Eligible Equity Shareholders such as address, bank account details for printing on refund orders and occupation, ("**Demographic Details**"). Hence, the Eligible Equity Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF / plain paper Application.

These Demographic Details would be used for all correspondence with such Eligible Equity Shareholders including mailing of the letters intimating unblocking of bank account of the respective Equity Shareholder. The Demographic Details given by the Eligible Equity Shareholders in the CAF / plain paper Application would not be used for any other purposes by the Registrar. Hence, the Eligible Equity Shareholders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs / plain paper Applications, the Eligible Equity Shareholders applying under the ASBA Process would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating allotment and unblocking or refund (if any) would be mailed at the address of the Equity Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. Refunds, if any, will be made directly to the bank account in the SCSB of which details are provided in the CAF / plain paper Application and not the bank account linked to the DP ID. The Eligible Equity Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of bank account may get delayed if the same once sent to the address obtained from the Depositories are returned

undelivered. In such an event, the address and other details given by the Equity Shareholder in the CAF / plain paper Application would be used only to ensure dispatch of letters intimating unblocking of bank account.

Note that any such delay shall be at the sole risk of the Eligible Equity Shareholders applying under the ASBA Process and none of the Company, the SCSBs or the Lead Manager shall be liable to compensate the Equity Shareholder applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Eligible Equity Shareholders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such applications are liable to be rejected.

Transfer of Funds

The Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA bank accounts for (i) transfer of requisite funds to the separate bank account maintained by our Company as per the provisions of Section 40(3) of the Companies Act, 2013 and for (ii) rejected / unsuccessful ASBAs.

In case of failure or withdrawal of the Issue, on receipt of appropriate instructions from the Lead Manager through the Registrar to the Issue, the SCSBs shall unblock the bank accounts latest by the next day of receipt of such information.

Procedure for Application by Mutual Funds

In case of a Mutual Fund, a separate application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the application clearly indicate the scheme concerned for which the application has been made.

Applications made by asset management companies or custodians of a mutual fund shall clearly indicate the name of the concerned scheme for which application is being made.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB Applicants, Non-Institutional Investors (including all companies and bodies corporate) and other Applicants whose application amount exceeds Rs. 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIB Applicants and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed Rs. 2,00,000.

Please note that all (i) who have applied through split application forms, (ii) who have renounced their Rights Entitlement and (iii) Renouncees (including the Renouncees who are Individuals), shall apply in the Issue only through the non-ASBA process.

Bids by FIIs, QFIs and FPIs

In terms of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, the issue of the Equity Shares to a single Foreign Portfolio Investor (FPI) or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of post-issue Equity Share Capital of the Company. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of the Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of the Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of the Company. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

An FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, in terms of the SEBI FPI Regulations, a QFI may continue to buy, sell or otherwise deal in

securities, subject to the provisions of the SEBI FPI Regulations, until January 6, 2015 (or such other date as may be specified by SEBI) or until the QFI obtains a certificate of registration as FPI, whichever is earlier.

The existing individual and aggregate investment limits for Eligible QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian company, respectively. In terms of the FEMA Regulations, a QFI shall not be eligible to invest as a QFI upon obtaining registration as an FPI. However, all investments made by a QFI in accordance with the regulations, prior to registration as an FPI shall continue to be valid and taken into account for computation of the aggregate limit.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB Applicants, Non-Institutional Investors (including all companies and bodies corporate) and other Applicants whose application amount exceeds Rs. 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIB Applicants and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed Rs. 2,00,000.

Please note that all (i) who have applied through split application forms, (ii) who have renounced their Rights Entitlement and (ii) Renouncees (including the Renouncees who are Individuals), shall apply in the Issue only through the non-ASBA process.

Procedure for Application by NRIs

Investments by NRIs are governed by the Portfolio Investment Scheme under Regulation 5(3)(i) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. NRI Applicants should note that applications by ineligible Non-residents (including on account of restriction or prohibition under applicable local laws) and where a registered address in India has not been provided, are liable to be rejected.

NRI Applicants are requested to send their Application Forms either to the collection centers of the Bankers to the Issue mentioned on the CAF or, if applying from places other than places where collection centers have been opened by the Bankers to the Issue, directly to the Registrar to the Issue by speed/registered post, so as to reach on or before the Issue Closing Date. The Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue will not be responsible for any postal delays or loss of Applications in transit.

NRIs Applying on repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to the NRE or FCNR accounts maintained with an authorised dealer registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000 ("**Authorised Dealer**"). NRIs Bidding on repatriation basis are required to submit a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be, along with the Application Form. NRIs Applying on non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as the NRO/Non-Resident (Special) Rupee Account ("**NRSR**")/Non-Resident Non-Repatriable Term Deposit Account ("**NRNR**"). NRIs Bidding on non-repatriation basis are required to submit a bank certificate confirming that the payment has been made by debiting to the NRE/FCNR/NRO/NRSR/NRNR account, as the case may be, along with the Application Form. For more information, see "*Terms of the Issue - Submission of Application and Modes of Payment for the Issue*" on page 179.

If the Equity Shares are Allotted on non-repatriation basis, dividend and sale proceeds of the Equity Shares cannot be remitted outside India. If the Equity Shares are Allotted on repatriation basis, interest, dividend, sales proceeds derived from the investment in the Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB Applicants, Non-Institutional Investors (including all companies and bodies corporate) and other Applicants whose application amount exceeds Rs. 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIB Applicants and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed Rs. 2,00,000.

Please note that all (i) who have applied through split application forms, (ii) who have renounced their Rights Entitlement and (ii) Renouncees (including the Renouncees who are Individuals), shall apply in the Issue only through the non-ASBA process.

Acceptance of the terms of the Issue

By applying for the Rights Equity Shares offered, you will be deemed to have accepted the terms of the Issue. Applicants may apply for the Rights Equity Shares offered, either in full or in part by filling Block III of Part A of the enclosed CAF and submit the same along with the application money payable to the Bankers to the Issue or any of the branches as mentioned on the reverse of the CAF before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board thereof in this regard. Applicants at centers not covered by the branches of Bankers to the Issue can send their CAF together with demand draft payable at Mumbai to the Registrar to the Issue by registered post. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected.

Note:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in the Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to Income Tax Act, 1961.
2. In case the Rights Equity Shares are allotted on non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. The CAFs duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of business hours on or before the Issue Closing Date. Separate cheque or bank draft must accompany each CAF.
4. In case of a CAF received from non-residents, allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by RBI as applicable at the time of making such allotment, remittance and subject to necessary approvals.

Last date of Application

The last date for submission of the duly filled in the CAF is May 25, 2016. The Issue will be kept open for a minimum of 15 days and our Board or any committee thereof will have the right to extend the said date for such period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

If the CAF together with the amount payable is not received by the Bankers to the Issue/ Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/Committee of Directors, the offer contained in this Letter of Offer shall be deemed to have been declined and the Board/Committee of Directors shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section titled "*Terms of the Issue – Basis of Allotment*" on page 165.

APPLICANTS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Articles of Association of our Company and the approval of the Designated Stock Exchange, the Board will proceed to allot the Rights Equity Shares in the following order of priority:

- (a) Full allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/ have applied for the Rights Equity Shares renounced in their favour, in full or in part.
- (b) For the Rights Equity Shares being offered under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 39 Equity Shares, the fractional entitlement of such Eligible Equity Shareholders shall be ignored and shall be entitled to zero Rights Equity Shares. The Eligible Equity Shareholders whose fractional Rights Entitlements are being ignored would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If the number of the Rights Equity Shares required for allotment under this head are more than the number of the Rights Equity Shares available after allotment under (a) above, the allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue and have also applied for additional Rights Equity Shares.

The allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there is an under-subscribed portion after making full allotment in (a) and (b) above. The allotment of such Rights Equity Shares will be at the sole discretion of the Board/Committee of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and not preferential allotment.

- (d) Allotment to the Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full allotment under (a), (b) and (c) above. The allotment of such Rights Equity Shares will be at the sole discretion of the Board/Committee of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and not preferential allotment.

In case the permission to deal in and for an official quotation of the Rights Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay without interest, all monies received from the applicants in pursuance of this Letter of Offer.

Underwriting

Our Company has not currently entered into any underwriting arrangement. We may enter into such an arrangement for the purpose of this Issue at an appropriate time and on such terms and conditions as we may deem fit. In the event our Company enters into any such arrangement, which shall be done prior to the filing of the Letter of Offer with the Designated Stock Exchange, we shall disclose the details of the underwriting arrangement in the Letter of Offer as required under SEBI (ICDR) Regulations.

Allotments and Refunds

Our Company will issue and dispatch letters of allotment/ allotment advice/ share certificates/ demat credit and/or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within 15 days from the Issue Closing Date. **If such money is not repaid within the stipulated time period, our Company shall pay that money with interest at the rate of 15% for the delayed period at the prescribed rates.**

Applicants residing at centres where clearing houses are managed by the Reserve Bank of India ("RBI"), payment of refund would be done through NECS and for applicants having an account at any of the centres where such facility has been made available to get refunds through direct credit and real time gross settlement ("RTGS"), will get refunds through Direct Credit and RTGS, provided however that the relevant MICR details are recorded with the Depository(ies) or our Company.

In case of those Applicants who have opted to receive their Right Entitlement in dematerialized form by using electronic credit under the depository system, an advice regarding the credit of the Rights Equity Shares shall be given separately. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In case of those Applicants who have opted to receive their Rights Entitlement in physical form, our Company will issue the corresponding share certificates under Section 56 of the Companies Act, 2013 or other applicable provisions, if any, as may be prescribed under the Companies Act, 2013, in this regard.

The letter of allotment/refund orders will be dispatched by registered post/ speed post to the Sole/First Applicant's registered address in India or the Indian address provided by the Equity Shareholders from time to time. Such refund orders/cheques/pay orders will be payable at par at all places where the applications were originally accepted. The same would be marked "Account Payee only" and would be drawn in the name of the Sole/First Applicant. Adequate funds would be made available to the Registrar to the Issue for this purpose.

Allotment/Refund to Non-residents

In the case of Non-resident Shareholders or Applicants who remit money from funds held in NRE/FCNR/NRO Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicable laws and other approvals, in case of Non-resident Shareholders or Applicant who remit their application money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars.

The Share Certificate(s) will be sent by registered post / speed post to the address in India of the Non Resident Shareholders or Applicants.

The Letter of Offer/ Abridged Letter of Offer and the CAF shall be dispatched to only such Non-resident Shareholders who have a registered address in India or have provided an Indian address.

Payment of Refund

Mode of making refunds

The payment of refund, if any, would be done through any of the following modes:

1. **NECS** – Payment of refund would be done through NECS for applicants having an account at one of the centers specified by the RBI, where such facility has been made available.

This would be subject to availability of complete Bank Account Details including MICR code wherever applicable from the Depository(ies)/ the records of the Registrar. The payment of refund through NECS is mandatory for applicants having a bank account at any of the centers where NECS facility has been made available by the RBI (subject to availability of all information for crediting the refund through NECS including the MICR code as appearing on a cheque leaf, from the Depository(ies) / the records of the Registrar).

2. **NEFT** – Payment of refund shall be undertaken through NEFT wherever the Applicant's bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a MICR, if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. **Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Applicants through this method.**
3. **Direct Credit** – Applicants having bank accounts with the refund bankers shall be eligible to receive refunds through direct credit. Charges, if any, levied by the refund banker(s) for the same would be borne by our Company.
4. **RTGS** – If the refund amount exceeds Rs. 2,00,000, Applicants have the option to receive refund through RTGS. Such eligible Applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the CAF. In the event the same is not provided, refund shall be made through NECS. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant.
5. For all other Applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched by Speed Post/ Registered Post. Such refunds will be made by cheques/ pay orders/ demand drafts drawn in favour of the Sole/First Applicant and payable at par.
6. Credit of refunds to Applicants in any other electronic manner permissible under applicable banking laws which are in force and as permitted by SEBI from time to time.

For shareholders opting for allotment in physical mode, bank account details as mentioned in the CAF shall be considered for electronic credit or printing of refund orders, as the case may be. Refund orders will be made by cheques, pay orders or demand drafts drawn on the Refund Bank(s) and payable at par at places where the applications were received and will be marked "account payee" and will be drawn in the name of Sole/First Applicant. The bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars will be printed on the refund orders/refund warrants which can then be deposited only in the account specified. Our Company will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice / Share Certificates/ Demat Credit

Allotment advice/ share certificates/ demat credit or letters of regret will be dispatched to the registered address of the first named Applicant or respective beneficiary accounts will be credited within 15 days from the Issue Closing Date. In case our Company issues allotment advice, the share certificates will be dispatched within one month from the date of allotment. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for share certificates.

Option to receive the Rights Equity Shares in Dematerialized Form

Applicants to the Rights Equity Shares of our Company, and holding Equity Shares in the physical form as on the Record Date, shall be allotted the Rights Equity Shares in dematerialized (electronic) form at the option of the Applicant. Our Company signed a tripartite agreement dated June 30, 2003, with NSDL and the Registrar, which enables the Applicants to hold and trade in securities in a dematerialized form, instead of holding the securities in the form of physical certificates. Our Company has also signed a tripartite agreement dated June 19, 2008, with CDSL and the Registrar, which enables the Applicants to hold and trade in securities in a dematerialized form, instead of holding the securities in the form of physical certificates.

In this Issue, the Allottees, currently holding the Equity Shares in physical form and who have opted for the Rights Equity Shares in dematerialized form, will receive their Rights Equity Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Applicant will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment Advice, Refund Order, if any, would be sent directly to the applicant by the Registrar to the Issue but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account. CAFs, which do not accurately contain this information, will be given the Rights Equity Shares in physical form. No separate CAFs for the Rights Equity Shares in physical and/or dematerialized form should be made. If such applications are made, the application for physical Rights Equity Shares will be treated as multiple applications and is liable to be rejected.

APPLICANTS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON BSE ONLY IN DEMATERIALIZED FORM.

Procedure for availing the facility for allotment of the Rights Equity Shares in this Issue in the electronic form is as under:

- (i) Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is exhibited in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Applicants having various folios with different joint holders, the Applicants will have to open separate accounts for such holdings. *Those Eligible Equity Shareholders who have already opened such beneficiary account (s) need not adhere to this step.*
- (ii) For the Eligible Equity Shareholders already holding the Equity Shares of our Company in dematerialized form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Rights Equity Shares pursuant to this Issue by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. Nonetheless, it should be ensured that the depository account is in the name(s) of the Eligible Equity Shareholders and the names are in the same order as in the records of our Company.
- (iii) Responsibility for correctness of information (including Applicant's age and other details) filled in the CAF vis-à-vis such information with the Applicant's Depository Participant, would rest with the Applicant. Applicants should ensure that the names of the applicants and the order in which they appear in the CAF should be the same as registered with the Applicant's Depository Participant.
- (iv) For Applicants holding the Equity Shares in physical form as on the Record Date and who have opted to receive the Rights Equity Shares in dematerialized form, if incomplete / incorrect beneficiary account details are given in the CAF the Applicant will get the Rights Equity Shares in physical form.
If incomplete/ incorrect beneficiary account details are given in the CAF, then such shares will be credited to a demat suspense a/c which shall be opened by the Bank as specified in the SEBI circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009.
- (v) The Renouncees will also have to provide the necessary details about their beneficiary account

for allotment of the Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.

- (vi) Applicants should ensure that the names of the Applicant(s) and the order in which they appear in the CAF should be the same as registered with the Applicant's Depository Participant.
- (vii) Non-transferable allotment advice/refund orders will be directly sent to the Applicant(s) by the Registrar to this Issue.
- (viii) The Rights Equity Shares pursuant to this Issue allotted to Applicants opting for dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the Applicant(s) by the Registrar to the Issue but the Applicant's Depository Participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's Depository Account. No intimation of allotment of the Rights Equity Shares will be provided by the Registrar and / or the Company to the individual Allottees.
- (ix) It may be noted that the Rights Equity Shares in electronic form can be traded only on Stock Exchange having electronic connectivity with NSDL or CDSL.
- (x) Dividend or other benefits with respect to the Rights Equity Shares held in dematerialized form would be paid to those Eligible Equity Shareholders whose name appears in the list of beneficial owners to be given by the Depository Participant to our Company as on the date of book closure / record date.

GROUND FOR TECHNICAL REJECTIONS

Applicants are advised to note that applications are liable to be rejected on technical grounds, including the following:

- (a) Amount paid does not tally with the amount payable;
- (b) Bank account details (for refund) are not given and the same are not available with the DP (in the case of dematerialized holdings) or the Registrar (in the case of physical holdings);
- (c) Submission of the CAFs to the SCSBs;
- (d) Submission of plain paper application to any person other than the Registrar to the Issue;
- (e) Age of Applicant not given (in case of Renouncee(s));
- (f) Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, PAN not given for application of any value;
- (g) GIR number provided instead of the PAN;
- (h) In case of application under power of attorney relevant documents are not submitted;
- (i) In case of application by limited companies, corporate, trust, relevant documents are not submitted;
- (j) If the signature of the existing Eligible Equity Shareholder does not match with the one given on the CAF and for the Renouncee(s) if the signature does not match with the records available with their depositories;
- (k) If the Applicant holding the Equity Shares in physical form as on Record Date desires to have the Rights Equity Shares in electronic form, but the CAF does not have the Applicant's depository account details;
- (l) Application forms are not submitted by the Applicants within the time prescribed as per the CAF and this Letter of Offer;
- (m) CAF not duly signed by the sole/joint Applicants;
- (n) CAFs/ SAFs by OCBs not accompanied by a copy of an RBI approval to apply in this Issue;;
- (o) Applications accompanied by Stockinvest / outstation cheques/ post-dated cheques/ money order/ postal order/ outstation demand draft;

- (p) In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity;
- (q) For applications by Applicants that are located outside of the United States and that are not U.S. persons, such applications that do not include the certification set out in the CAF to the effect that the subscriber is not a "U.S. person" (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations;
- (r) Applications which have evidence of being executed in/ dispatched from restricted jurisdictions;
- (s) Applications by ineligible Non-residents (including on account of restriction or prohibition under applicable local laws) and applications on plain paper where a registered address in India has not been provided;
- (t) Applications by the Eligible Equity Shareholders who are joint holders, where Part A of the CAF is not signed by all such joint holders;
- (u) Applications by the Renouncee(s) of the Eligible Equity Shareholders who are joint holders, where Part B of the CAF is not signed by all such joint holders;
- (v) Applications where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements;
- (w) Multiple Applications including cases where an Investor submits the CAFs along with an application on plain paper;
- (x) Applications which are not made through the ASBA process by Non Retail Investors who are eligible ASBA Investors (i.e. complying with the eligibility conditions of SEBI circular dated December 30, 2009);
- (y) Applications by investors who are not eligible ASBA Investors made through the ASBA process;
- (z) Applications by the persons who are not competent to contract under the Indian Contract Act, 1872, including minors (other than minors who have a valid beneficiary account, as per demographic details provided by Depositories);
- (aa) Applications by the Renouncees who are persons not competent to contract under the Indian Contract Act, 1872, including minors (other than minors who have a valid beneficiary account, as per demographic details provided by Depositories); and

Please read this Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are each an integral part of this Letter of Offer and must be carefully followed. An application is liable to be rejected for any non-compliance of the provisions contained in this Letter of Offer or the CAF.

MISCELLANEOUS

Payment by Stockinvest

In terms of the RBI Circular DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the Stockinvest Scheme has been withdrawn. Hence, payment through Stockinvest would not be accepted in this Issue.

Disposal of application and application money

No acknowledgment will be issued for the application monies received by our Company. However, the Bankers to the Issue / Registrar to the Issue receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF. The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto. In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on the Equity Shares allotted, will be refunded to the Applicant within a period of 15 days from the Issue Closing Date.

Utilisation of Issue Proceeds

Our Board confirms that:

- (a) All monies received out of this Issue shall be transferred to a separate bank account other than the bank account referred to Section 40(3) of the Companies Act, 2013;
- (b) Details of all monies utilized out of the Issue referred to in clause (i) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- (c) Details of all unutilized monies out of the Issue, if any, referred to in clause (i) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- (d) The Company may utilize the funds collected in the Issue only after the basis of Allotment is finalized.

Undertakings by our Company

Our Company undertakes:

- 1. The complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- 2. That all steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the securities are to be listed are taken within 7 Working Days of finalization of basis of allotment;
- 3. The funds required for making refunds to unsuccessful applicants under the Issue as per the mode(s) disclosed in this Letter of Offer shall be made available to the Registrar to the Issue;
- 4. That where refund are made through electronic transfer of funds, a suitable communication shall be sent to the applicant/s under the Issue within 15 days of the Issue Closing Date giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit of refund.
- 5. Adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalizing the basis of allotment under the Issue.
- 6. At any given time, there shall be only one denomination for the Equity Shares.
- 7. The Company shall comply with such disclosure and accounting norms specified by the SEBI from time to time.
- 8. The certificates of the securities or refund orders to non-resident shareholders will be dispatched within specified time
- 9. No further issue of securities shall be made till the securities offered through the Letter of Offer are listed or till the application moneys are refunded on account of non-listing, under-subscription, etc.

Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms to the best of its knowledge and belief, that there are no other facts, the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable inquiries to ascertain such facts.

Impersonation

As a matter of abundant caution, attention of the Applicants is specifically drawn to the provisions of sub- Section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes in a fictitious name an application to a Company for acquiring, or subscribing for, any shares therein, or otherwise induces a Company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years"

Important

Please read this Letter of Offer carefully before taking any action. The instructions contained in the

accompanying CAF are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.

All enquiries in connection with this Letter of Offer or accompanying CAF and requests for the SAFs must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the First Applicant as mentioned on the CAF and superscribed "**Polson Limited – Rights Issue - R**" in case of resident shareholders/applicants or shareholders/applicants applying on non repatriable basis or "**Polson Limited - Rights Issue -NR**" in case of non-resident shareholders/applicants applying on repatriable basis on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

Unit no. 9, Shiv Shakti Industrial Estate,
J .R. Boricha Marg, Opp. Kasturba Hospital Lane,
Lower Parel (E), Mumbai 400 011
Tel No.: +91 22 2301 6761 / 8261
Fax No.: +91 22 2301 2517
Email id: purvashr@mtnl.net.in
Website: www.purvashare.com
SEBI Registration No. INR000001112
Contact Person: Mr. Rajesh Shah

It is to be specifically noted that this Issue of the Equity Shares is subject to the risks as detailed in the section titled "*Risk Factors*" beginning on page Viii.

Issue to remain open for a minimum of 15 days and maximum of 30 days as may be determined by the Board.

SECTION IX- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION OF POLSON LIMITED

Adopted New act of Articles at the, Annual General Meeting of the shareholders held on 30.9.2015

TABLE "F" EXCLUDED

Table F do not apply but Company to be governed by these Articles

1. No regulation contained in Table F, in the First schedule to the Companies Act 2013, or in the schedule to any previous Companies Act, shall apply to the company, but the regulations for the management of the Company and for the observations of the Members thereof and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to, its regulations by Special Resolution as prescribed by the said Companies Act, 2013, be such as are contained in these articles.

INTERPETATION

2. In the interpretation of these Articles , unless repugnant to the subject or context

"The Company" or "This Company"	"The Company" or "This Company" means POLSON LIMITED
"The Act" or "The said Act"	"The Act" or "The said Act" means the Companies Act, 2013 as amended update or other Act or Acts for the time being in force in India in containing the previsions of the legislature in relation to companies.
"Auditors"	"Auditors" means and includes those persons appointed as such for the time being by the Company.
"The Board" or "The Board of Directors"	"The Board or "The of Directors" means a meeting of the Directors duly called and constituted, or as the case may be, the Directors assembled at a Board, or a requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles
"Capital"	"Capital" means the Directors for the time being raised or authorised to be raised, for the purposed of the Company.
"Directors".	"Debentures" includes debenture stock, bonds and other instrument of the Company, evidencing debt whether constituting a charge on the assets of the Company or not.
"Dividend".	"Dividend" includes bonus.
"Gender".	Words importing the masculine gender also include the feminine gender.
"In Writing" and "Written".	"In Writing And "Written" include printing, lithography and other modes of representing or reproducing words in visible form.
"Marginal Notes and Catch Lines".	The marginal notes and catch lines hereto shall not affect the construction hereof.
"Members"	"Members" means the subscribers of the Memorandum of the Company and the duly registered holders from time to time of the shares of the Company.
"Meeting" or "General Meeting".	"Meeting" or "General Meeting" means a meeting of Members.
"Month"	"Month" means a calendar month.
"Office".	"Office means the Registered Office for the time being of the Company.
"Paid up"	"Paid-up" includes credited as paid-up.
"Persons".	"Persons" Includes corporation and firms as well as Individuals.
"Proxy".	"Proxy" means an instrument whereby any person is authorized to vote for a Member at a General Meeting on poll.
"Register of Members".	"Register of Members" means the Register of Members to be kept pursuant to the Act
"These Presents" or "Regulations".	"These Presents" or "Regulations" means these Articles of Association as originally framed or altered from time of time and includes the Memorandum where the context so required.
"The Registrars"	"The Registrars" means the Registrars of Companies
"Seal".	"Seal" means the Common Seal for time being of the company.
"Share"	"Share" means share in the Share capital of the Company, and includes stock except where distinction between stock and share is expressed or implied
Special Resolution	"Special Resolution" shall have the meaning assigned thereto by Section 114 of the Act.
"Year" and "Financial Year".	"Year"-means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.

Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

CAPITAL AND INCREASE AND REDUCTION IN CAPITAL

Share Capital

3. The Authorised Share Capital of the Company is as per Clause V Share Capital of the Memorandum of Association

Increase of Capital by the Company and how carries into effect

4. The Company in the General Meeting may by ordinary Resolution, from time to time increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such right and privileges annexed thereto, as the Resolution shall prescribe and if nothing is prescribed in that resolution, then as the Directors determine. Such share may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with provisions of the Act. Whenever the capital Of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.

New Capital name as existing Capital

5. Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien surrender, transfer and - transmission, voting and otherwise

Redeemable Preference Shares

6. The Board of Directors of the Company or the Company subject otherwise to the Provisions of Section 55 of the Act shall have the power to issue Preference Shares which are, or at the option of the Company, liable to be redeemed.

Cumulative Convertible Preference Shares

7. Subject to the provisions of the Companies Act and the guidelines of the Government of India in that behalf, the Company shall have the power to issue Cumulative Convertible Preference Shares.

Provisions to apply for the issue of Redeemable Preference Shares.

8. On the issue of Redeemable Preference Shares under the provisions of article 6 hereof the following provisions shall take effect:
 - a. no such shares shall be redeemed except Out or profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
 - b. no such shares shall be redeemed unless they are fully paid ;
 - c. the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share premium account before the shares are redeemed;
 - d. where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called" the Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

Restrictions on the purchase by the Company of its own shares:

9. The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanction in pursuance of Article 11 or in pursuance of section 66 or section 241 or other application provisions (if any) of the Act.
10. Except to the extent permitted by Section 67 or other application provisions (if any) of the Act, the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, provision of security or otherwise, any financial assistance for the purpose, or in connection with the purchase or subscription made or to made by any person of for any shares in the Company.

Reduction of Capital

11. The Company may (subject to the provisions of Section 66 of the Act) from time to time by Special Resolution, reduce its Capital in any manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

Subdivision and consolidation of shares

12. Subject to the provisions of Section 66 of the Act the Company in General Meeting may by Special Resolution from time to time, subdivide or consolidate its shares, or any of them ,and the Special Resolution whereby any share is subdivided, may determine, that as between the holders of the shares resulting from such subdivision one or more of such shares shall have same preference or special advantage as regard dividend, capital or otherwise over or as compared with the others or other, Subject as aforesaid the company in General Meeting may be Special Resolution also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled

MODIFICATION OF RIGHTS

Modification of Rights

13. Whenever the Capital by reason of the issue of Preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be varied with consent in writing of the holders of not less than 3/4th of the issue shares of that class or with the sanction of a special Resolution passed at a separate meeting of the holders of the issue shares of that class and all the provision hereinafter contained as to general Meeting shall, mutatis mutandis, apply to every such meeting. This article is not to derogate from any power of the Company would have if this article were omitted.

SHARES

Register and Index of Members and Debenture Holders

14. The Company shall cause to be kept a Register and index of Members and debenture holders in accordance with Section 88 of the Act. The Company may also keep a foreign Register of Members and Debenture Holders in accordance with Sections 88 of the Act.

Shares to be numbered progressively and to be subdivided.

15. The shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided

Restrictions on allotment

16. The Board of Directors shall observe the restriction as to allotment of shares to the public contained in section 39 of the Act, and shall cause to be made the returns as to allotment provided for in Section 39 of the Act.

Shares under control of Directors

17. Subject to the provisions of these Articles, and of the Act the shares shall be under the control of the Director who may allot or otherwise dispose of the same to such persons

on such terms and conditions and at such times as the Directors think fit and with the sanction of the Company in General Meeting to give any person the option to call for or to be allotted shares of any class of the Company either (subject to the provisions of Section 52 and 53 of the Act) at a premium or par or at a discount and for such time and for such consideration as the Directors think fit.

Power also to Company in General- Meeting to- issue, shares.

18. In addition to and without derogating from the power for that purpose conferred on the Board of Directors under Articles 16 and 17, the Company in general meeting may by Special Resolution. determine that any shares (whether forming part of the original capital or to any increased capital of the Company) shall be offered to such persons (whether members or not) in such proportion and on such terms and conditions, and either (subject to compliance with the provisions of Section 52 and 53 of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a number or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting.

Directors- may allot shares as full paid up

19. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property or assets of any kind whatsoever (including goodwill of any business) sold or transferred, goods or machinery or knowhow supplied or for services rendered to the company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and in so issued shall be deemed to be fully paid up or partly paid up shares as aforesaid.

Acceptance of shares

20. Any application signed by or on behalf of an applicant for shares in the Company , followed by an allotment of any shares therein, shall be an acceptance of shares within the Meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is in the Register shall, for the purposes of these Articles, be a Member.

Deposit & calls etc to be a debt payable immediately

21. The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by time , shall immediately on the inscription of the name of the allottee in the Register of members as the name of the holder of such shares, become a debt, due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members

22. Every member, or his heirs, executors or administrators, Shall pay to the Company the portion of the capital represented by his shares or shares which may, for the time being, remain unpaid thereon , in such amounts, at such time or times, and in such manner, as the Board of Directors shall, from time to time, in accordance with the Company's regulation require or fix for the payment thereof.

CERTIFICATES

Member's right to Certificates

23. Subject to the compliance of the relevant provisions of the Act and the Companies (Share Capital and Debenture) Rules, 2014 every member or allottee of share (S) shall be entitled without payment to receive at least one Certificate under the seal of the Company for all the shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve, specifying the number of share or shares allotted to him and the amount paid thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board . If the Directors so approve, and upon the payment of such fee, if, any, not exceeding Rupees Fifty per

certificate or free of charge as the Directors may from time to time determine in respect of each class of shares, a member shall be entitled to more than one certificate for shares of each class.

Board may refuse sub- division in denomination of Less than marketable lot

24. Notwithstanding anything contained in these Articles, the Board may in its absolute discretion refuse applications for the subdivision or consolidation of shares, debenture or bond certificates in denominations of less than the marketable lot except when such subdivision or consolidation is required to be made to comply with a statutory provision or an order of a competent court of law.

Issue of New Certificate in place of one defaced, lost or destroyed

25. If any Certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Directors, they may order the same to be cancelled and may issue a new Certificate in lieu thereof, and if any Certificate be lost or destroyed then upon proof thereof, to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under these Articles shall be issued without payment of fees if the Directors so decide, or on the payment of such fees as the Directors shall prescribe. Out of pocket expenses incurred by the Company investigating the evidence as to the loss or destruction shall be paid to Company if demanded by the Directors.

Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or Rules applicable in this behalf.

Company not bound to recognize any interest in shares other than that of registered holders.

26. Except as required by law, no person shall be recognized by the Company as holding any shares upon any trust and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any shares, or any interest in any fractional part of the shares or (except only as by these regulations or by law otherwise provided) any other rights in respect of any shares except an absolute right to the entirety thereof in the registered holders.

UNDERWRITING AND BROKERAGE

Commission for placing shares, debentures etc

27. The Company may, subject to the provision of Section 40 and other applicable provisions (if any) of the Act, at any time pay a commission to any person in consideration of this subscribing or agreeing to subscribe or this procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the Company. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of shares or debentures

CALLS

Board may make calls

28. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Notice on calls

29. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares. A call may be revoked or postponed at the discretion of the Board

Call to be made on a date from Resolution

30. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Directors may extend time.

31. The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call. and may extend such time as to all or any of the member who From residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension save as a matter of grace and favour.

Amount payable at fixed time or by installments as a call.

32. If by the terms of issue of any shares, any amounts are made payable at any fixed time or by installments at fixed times (whether on account of the nominal amount of the shares or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.

In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

When interest on call or installment payable.

33. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent, per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

Judgment decree or partial payment not to preclude forfeiture

34. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect to any shares nor any part payment of satisfaction thereunder nor the receipt by the Company of a portion of any money respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect in the payment of any money, shall preclude the forfeiture of such shares as hereinafter provided.

Proof on trial of Suit for money due on shares.

35. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares money is sought to be recovered is entered on the Register of Members the holder of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly posted to the member or his representative in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive of the debt.

Payment in advance of calls may carry interest

36. The Board—

- a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

LIEN

Company's lien on shares

37. The Company shall have a first and paramount lien upon all shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition the Clause 27 hereof is to have full effect. And such lien shall extend to all dividend and bonuses from time to time declared in respect of such shares Unless otherwise agreed registration of a transfer of shares shall operate as a waiver of the Company's lien if any such shares. The Directors may at any time declare any shares be wholly or in part to be exempt from the provisions of this Clause.

As to enforcement of lien by sale

38. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made unless the sum in respect of which the lien exists is presently payable until a fourteen days notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his committee, or other legal representatives as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for fourteen days after the date of such notice. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificate in lieu thereof to the purchaser or purchaser concerned.

Application of proceeds of sale.

39.
 - a. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
 - b. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

If call or installment not paid , notice may be given.

40. If the member fails to pay the whole or any part of any calls or installments or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remain unpaid or a judgment or decree in respect thereof remain unsatisfied in whole or in part serve a notice on such member or on the person (if any) entitled to the shares by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise that may have been incurred

by the company by reason of such nonpayment. Provided that no such shares shall be forfeited if any call moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India for the time being in force.

Terms of notice

41. The notice shall name a day (not being less than 14 days from the date of the notice) on or Before which the place or places at which such call installment and or such part thereof and such other moneys as aforesaid and such interest and expenses as aforesaid are to be paid, and if payable to any person other than the Company the person to whom such payment is to be made. The notice shall also state that in the event of nonpayment at or before the time and (if payable to any person other than the Company) at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

Shares to be forfeited in default of payment

42. If the requirement of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given may, at any time thereafter but before payment of all calls or installments interest and expenses and other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Entry of forfeiture in the Register of Members.

43. When any shares shall have been so forfeited as entry of the forfeiture, with the date thereof , shall be made in the Register of Members and notice of the Forfeiture shall be given to the member in whose name they stood immediately prior to the forfeiture but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any entry aforesaid.

Forfeited shares to be property of the Company and may be sold etc

44. Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed off either to the original holder thereof or to any other person, upon such terms and in such manner as the Board of directors shall think fit.

Shareholder still liable to pay money owing at the time of forfeiture and interest.

45. Any person whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installment interest, expenses and other monies owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until Payment at such rate as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligations to so.

Effect of forfeiture.

46. The forfeiture of a shares shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the shares, except only such of those rights as by these presents are expressly saved.

Title of purchaser and allottee of forfeited shares or shares sold in exercise of lien.

47. Upon any sale after forfeiture or for enforcing a lien in the exercise of the powers hereinbefore given the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the Company may receive the consideration, if any, given for the shares on any sale, reallocation or other disposition thereof and person to whom such shares is sold, reallocated or disposed of may be registered as the holder of the shares and he shall not be bound to see to the application of the

consideration, if any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, reallocation or other disposal of the shares and after his name has been entered in the Register in respect of Such shares, the validity of the sale shall not be impeached by any person.

Certificate of forfeiture

48. A Certificate in writing under the hand of two directors that the call in respect of a shares was made, and notice thereof given, and that default in payment of the call was made, and that forfeiture of the shares was made by a resolution of the Directors to that effect shall be prima facie conclusive evidence of the facts stated therein as against all persons entitled to such shares

Cancellation share certificate in respect of forfeited shares.

49. Upon any sale, reallocation or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall (unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

Directors may annul forfeiture.

50. The Directors may, at any time before any shares so forfeited shall have been sold, reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

Surrender of shares

51. The Directors may, subject to the provision of the Act, accept a surrender of any shares from or by any member desirous of surrendering them on such terms as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Form of transfer

52. The instrument of transfer of any shares shall be in writing and all the provision of Section 56 and other applicable provisions of the Act shall be duly complied with in respect of all transfer of shares and the registration thereof.

Instrument of transfer to be executed by the transferor and transferee.

53. Every such instrument shall be signed by or on behalf of the transferor and by or on behalf of the transferee and the transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register of member in respect thereof.

No transfer to minor ,etc.

54. No shares other than fully paid shares, shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.

Custody of instrument of transfer.

55. The instrument of transfer after registration shall be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall, on demand be returned to the person depositing the same.

Title of shares of deceased holder

56. The executors or administrators of a deceased member or a holder of a succession Certificate, not being one of two or more joint holders shall be the only person recognised by the Company as having any title to the shares registered in the name of such deceased member and the Company shall not be bound to recognize such executors or administrators unless such deceased member and the shall have first obtained probate or Letter of Administration as the case may be, from or duly constituted court in India. Provided that in any case where the Directors in their absolute

discretion think fit, the, Directors may dispense with the production of probate or letters of Administration or succession certificate and under the provisions of Article 56, register the name of any person who claims to be absolutely entitled to the shares standing in the name of any persons who claims to be absolutely entitled to the shares standing in the name of the deceased member, as a member.

Registration of persons entitled to shares otherwise than by transfer(Transmission Clause).

57. Subject to the provisions of the Act and these Articles, any person becoming entitled to any shares in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be Under any obligation to give) upon producing such evidence that the sustain the character in respect of which he proposes for to act under this Article or of this title as the Directors shall require either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee as instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of such shares. This clause in herein referred to as the Transmission Clause

Directors may refuse to register transfer.

58. Subject to the provisions of section 58 of the Act, the Board may refuse, whether in pursuance of any power of the Company under its Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in, or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the persons giving intimation of such transmission, as the case may be, giving reason for such refusal, Provided that registration of transfer or transmission shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except where the Board has exercised the power of lien vested in it under these Articles in respect of the shares proposed to be transferred or transmitted.

It is hereby expressly declared that the power conferred under these Article shall be subject to the provisions of Section 22A of the Securities Contracts (Regulation) Act, 1956 or any statutory modifications or re-enactment thereof.

Persons entitled may receive dividend.

59. A person entitled to share by transmission shall, subject to the right of Directors to retain such dividend or moneys as herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the shares.

Board may require evidence of transmission.

60. Every transmission of a share be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

No fee on transfer or transmission

61. The Company shall not charge any fee for registration of transfer or transmission in respect of shares or debentures of the Company.

Company not liable to disregard of a notice prohibiting registration of transfer

62. The Company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in such shares notwithstanding that the Company may have notice to such equitable right, title or interest, or may have received a notice prohibiting registration of such transfer and may have entered such notice as referred thereto in any book of the Company, and the Company shall not be bound or required to regard or attend or to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the company but the Company shall nevertheless be at liberty to regard and attend to any such notice and given effect thereto, if the Directors so think fit.

JOINT HOLDERS

63. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefits or survivorship subject to the following and other provisions contained in these Articles:
- a. The Company shall be entitled to decline to register more than four persons as joint holders of any share;
 - b. The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such shares;
 - c. On the death of any such joint holder the survivors or survivor shall be the only person or persons recognized by the Company as having any title to the shares but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability in respect of the shares held by him jointly with any other person;
 - d. Any one of the Joint Holders may give effectual receipts for any dividends or other moneys payable in respect of such share :
 - e. Only the person whose name stand first on the register of members as the joint holders of any shares shall be entitled to delivery of the certificate relating to such shares or to receive documents from the company and any documents served on or sent to such person shall be deemed service on all joint holders :
 - f. Any one or two or more joint holders may vote at any meeting either personally or by an attorney duly authorized under a power of attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by attorney or by proxy then that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting. Provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by an attorney duly authorized or by proxy although the name of such joint holder present by an attorney or by proxy stands first or higher in the Register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any shares stands shall for the purposes of this sub clause be deemed joint holders.

BORROWING POWERS

Power to borrow

64. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power, from time to time at their discretion, to accept deposits from Member, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum of moneys in any manner whatsoever for the purpose of the Company provided that the total amount borrowed at any time together with the moneys already borrowed by the Company's bankers in the consent of the Company on General Meeting, obtained through passing Special Resolution exceed the aggregate of the paid up capital

of the Company and its free reserves that is to say , reserves not set apart for any specific purpose

Conditions on which money may be borrowed.

65. Subject to the provisions of the Act and these Articles, the Directors may, raise or secure the payment of such sum in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture stock, or any mortgage or charge or any other security on the undertaking or the whole or any part of the property of the company (both present and future) including its uncalled capital for the time being

Bonds, Debentures, etc. to be subject to control of Directors.

66. Subject to the provisions of the Act, any bonds, debentures or other securities issued to be issued by the Company shall be under control of the Directors who may issue them upon such terms and conditions and in such manner and for the consideration as they shall consider to be for the benefit of the Company.

Securities may be assignable free from equities.

67. Debentures, bonds or other securities may be made assignable free from any equities between the company and the person to whom the same may be issued.

Conditions on which the Bonds, Debentures, etc. may be issued.

68. Subject to the provisions of the Act and these Articles any bonds, debentures or other securities may be issued at a discount, premium or otherwise and with special rights, privileges and conditions as to redemption, surrender, drawings, allotment of shares, appointment of Directors or otherwise. Provided that debentures with the right to allotment of or conversion into shares not be issued except with the sanction of the Company in General Meeting.

Mortgage of uncalled capital.

69. If any uncalled capital of the Company is included in or charged by way of mortgage or other security by the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the persons in whose favour such mortgage or security is executed or, if permitted by the Act may by instrument under Seal, authorize the person in whose favour such mortgage or security is executed or any other person in trust for him to receive moneys on call from the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to call shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors powers or otherwise and shall be assignable if expressed so to be.

Indemnity may be given

70. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other persons shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or Cause to be executed any mortgage, charge or security over or affecting the whole or any part of assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

CONVERSION OF SHARES TO STOCK

Shares may be converted into stock.

71. The Company in General Meeting may convert any paid-up shares into stock; the several holders of such stock may henceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulation as, and subject to which the shares from which the stock arose might have been transferred, if no such conversion had taken

place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination.

Rights of stock holders.

72. The holders of stock shall, according to the amount of stock held by them, have the same rights. Privileges and advantages as regard dividend, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no privileges or advantages (except participation in the dividends and profit of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares have conferred that privileges or advantage.

GENERAL MEETINGS

Annual General Meeting

73. Subject to the provisions of the Act, the Company shall, in addition to any other meetings, hold a general meeting (hereinafter called an "Annual General Meeting") at the intervals and in accordance with the provisions contained in the Act.

Extra-ordinary General Meetings.

74. All General Meetings other than Annual General Meeting shall be called Extraordinary General Meetings.

Directors may call Extraordinary General Meeting.

75. The Board of Directors may call an Extraordinary General Meetings whenever they think fit and shall also call one in the circumstances specified in section 100 of the Act.

Notice of meeting

- 76.
- a. A General Meetings of the Company may be called by giving not less than twenty one days notice in writing or through electronic mode in such manner as may be prescribed.
 - b. However a General Meeting may be called after giving a shorter notice than twenty one days, if the consent is accorded thereto in writing or through electronic mode by not less than 95% of the members entitled to vote in such meeting

Contents of notice.

- 77.
- a. Every notice of the meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain, a statement of the business to be transacted thereat.
 - b. In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that proxy need not be a member of the Company.

Service of Notice

78. Subject to the provisions of these Articles, notice of every meeting shall be given to every member of the Company in any manner as mentioned in Section 20 of the Act.

In case of adjourned meeting or of a change of day, time or place of meeting the Company shall give not less than three days notice to members either individually or by publishing advertisement in the newspaper (one in English and one in vernacular language) which is in circulation at the place where the Registered Office of the Company is situated.

Omission to give notice not to invalidate a resolution passed.

79. The accidental omission to give any such notice as aforesaid to any of the Members, or the non-receipt thereof. Shall not invalidate any resolution passed at such meeting.

PROCEEDING AT GENERAL MEETINGS

Quorum at General Meeting.

80. Quorum for the General Meeting is as mentioned in Section 105 of the Act. If quorum not present, meeting to be dissolved or adjourned.
81. If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by in the requisition of members, shall stand cancelled. But in the other case, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such day and at such other time and place as the Board of Directors may determine, and if at such adjourned meeting, a quorum is not present, at the expiration of half an hour from time appointed for holding the meeting, the member present shall be a quorum, and may transact the business for which the meeting was called.

Chairman of General Meeting.

82. The Chairman of the Directors shall be entitled to take the chair at every General Meeting, whether ordinary or Extra-ordinary. If there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes of the appointed for holding such meeting or is unwilling to act, then any Executive Director present thereat shall be entitled to take the chair and failing him the Member present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair, then the Members present shall elect one of their Member to be Chairman.

Business confined to election of Chairman whilst Chair vacant.

- 83.
- a. No business shall be discussed at any General Meeting except the election of a Chairman whilst the chair is vacant.
 - b. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and these Articles, the Chairman so Elected on a show of hands exercising all the powers of the Chairman under the act and these Articles.
 - c. If some other person is elected Chairman as a result of the poll, he shall be Chairman for the rest of the meeting.

Chairman with consent may adjourn meeting

84. The Chairman with the consent of the meeting, may adjourn any meeting from time to time and from place to place in the City or town or village in which the Registered Office of the Company is situated, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Notice to be given where a meeting is adjourned for thirty days or more

85. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, save an aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted as an adjourned meeting.

Questions at General Meeting how decided.

86. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the results of the show of hands) demanded and a declaration by the chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost , and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution. If e-voting is applicable then principle of "one share-one vote" is applicable.

Chairman's casting vote.

87. In the case of an equality of vote the chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or to which he may be entitled as a member.

Demand for poll.

88. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution not being less than one tenth of the total voting power in respect of the Resolution or on which an aggregate sum of not less than Five Lacs rupees or such higher amount s may be prescribed , has been paidup. The demand for a poll may be withdrawn at any time by the person or persons who make the demand.

Poll

89. Whenever a poll is demanded the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken including the powers to take the poll by open voting or by secret ballot and either at once or at an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the decision of the meeting on the Resolution on which the poll was taken. The demand for a poll shall prevent the continuance of meeting for the transaction of the poll has been demanded.

VOTES OF MEMBERS

No. of votes to which member entitled.

90. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- a. on a show of hands, every member present in person shall have one vote; and
 - b. on a poll and e-voting, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
 - c. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
 - d. Voting through e-means takes into account 'Proportion Principle' (i.e. 'one share- one Vote') unlike 'one person- one vote' principle under 'Shows Of Hands. In such cases, provisions relating to demand for poll would not be relevant.
 - e. Since voting through e-means would be on the basis of proportion of share in paid up capital or 'one share-one vote', voting by shareholders present in General Meeting shall follow the same principle of one share-one vote instead of show of hands.
 - f. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - g. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
 - h. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
 - i. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
 - j. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

- (2) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
- (3) Show of hands is not allowed in case of evoting. Member who has voted through e-voting mechanism in accordance to rule 20 of Companies (Management and Administration) Rules 2014, shall not be debarred from participation in general meeting physically. But he shall not be able to vote in meeting again, and his earlier vote (cast through e-means) shall be treated final.

PROXY

91.

- a. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power a authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- b. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- c. Proxy shall not have the right to speak at Meeting and shall not be entitled to vote except on poll.
- d. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- e. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Right of member to use his votes differently.

92. On a poll taken at a meeting of the Company or in case of e-voting , a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Validity of votes given by proxy notwithstanding death of member etc.

93. A vote given in accordance with the terms of an instrument of proxy or a power of attorney shall be valid notwithstanding the previous death or subsequent insanity of the principal or revocation of the proxy or the power of attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given provided that no intimation in writing of the death.

Insanity, revocation or transfer shall have been received at the office of the Company before the meeting.

Time for objections to votes.

94.

- a. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- b. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Chairman of the meeting to be sole judge of validity of any vote.

95. A chairman of any meeting shall be the sole judge of the validity of every tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

DIRECTORES

Number of directors.

96. The Number of Directors shall not be less than three until otherwise determined by the Company in General Meeting nor more than fifteen.

At the time of adoption of these articles, the following persons are the Directors of the Company:

- a. MR. PESONJI EDULJI DALAL (POLSON)
- b. MRS. DHANMAI PESTONJI DALAL
- c. CAPT. JAMSHED D. KOTHAWALA
- d. MR. DOSSABHAI JAMSHEDJI PARELWALLA

Debenture Directors

97. If it is provided by any trust Deed in connection with any issue of debentures of Company that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any director as so appointed is herein referred to as a Debentures Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Directors may be appointed in his place. A Debentures Directors shall not be bound to hold any qualification shares.

Institutional Directors.

98.

- a. Notwithstanding anything to the contrary contained in these articles so long as any monies remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit & Investment Corporation of India (ICICI) or to any other Finance Corporation or Credit corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, or any other Financing Corporation or Body (each of which IDBI, IFCI, ICICI of any other Finance Corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as "the Corporation")continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability if the Company arising out of the any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors

is/are hereinafter referred to as "Nominee Director(s)" on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place(s).

Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability if the Company arising out of the any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)" on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place(s).

- b. The nominee Director(s) appointed under this Articles shall be entitled to receive all notice of and attending all General Meeting, Board Meeting and of the Meetings of the Committee of which the Nominee Directors is/are member(s) as also the minutes of such meeting. The Corporation shall also be entitled to receive all such notice and minutes.
- c. The Company shall pay to the Nominee Director(s) sitting fees and expenses which the other Directors of the Company are entitled, but if other fees, commission, monies or remuneration in any form is payable to the Director(s) of the company, the fees, commission monies and remuneration in relation to such Nominee Director(s) shall accrue to the corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the corporation or such Nominee Director(s) in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director(s).

Provided that if any such Nominee Director(s) is an officer of the Corporation the sitting fees, in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

- d. The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). At the option of the Corporation such nominee Director(s) shall not be required to hold any share qualification in the Company. Also at the option of the Corporation Such Nominee Directors shall not be liable to retirement by rotation of Directors, subject as aforesaid the Nominee Director(s) shall be entitled to the same right and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation hold shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director(s) so appointed in exercising of the said owners shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.
- e. In the event of the Nominee Director(s) being appointed as whole-time Director(s) such Nominee Director(s) shall exercise such powers and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company, such whole-time Director(s) shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

Retirement and rotation of Directors.

99.

- a. At every Annual General Meeting of the Company one third of the Directors for the time being are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one third shall retire from office. Independent Directors shall not be liable for retire by rotation.

- b. The Directors to retire in any year shall be those who have been longest in office since their last election, but as between the persons who became Directors on the same day, those who retire shall unless they otherwise agree among themselves be determined by lot.
- c. A retiring Director shall be eligible for re-election.

Appointment of Alternate Director.

The Directors may appoint any person to be an Alternate Director to act for a Director (hereinafter called the "Original Director") during his absence for a period of not less than three months from the State in which the meeting of the Board are ordinarily held, and such appointment shall have effect and such appointee whilst he holds office as an Alternate Directors shall be entitled to notice of meetings of Directors and to attend and to vote thereat accordingly.

Casual vacancy in the office of Directors.

100. Subject to the provision of the Act, if the office of any Director is before his term of office expires in the nominal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if the vacancy had not occurred.

Appointment of Additional Directors.

101. Subject to the provisions of the Act, the Directors at all have power at any time from time to time to appoint a person or persons as an Additional Directors or Directors. Such Additional Directors shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for re-election at that meeting as a Director.

Directors not required to hold any qualification shares

102. The Directors shall not be required to hold any qualification shares

Remuneration of Directors

103. Subject to the provisions of the Act, the remuneration payable to the Directors of the Company shall be as hereinafter provided :
 - a. Each of the Directors of the Company (inclusive of the Chairman) shall be entitled to payment of such sum as may be prescribed under the Act or by the Central Government for each meeting of the Board or of one or more Committee(s) of the Board attended by him or such lesser amount as the Directors may agree to accept from time to time. The Directors including members of a Committee of Directors shall be paid such further remuneration, if any, either, on the basis of percentage of the net profits of the Company or otherwise as the Company in General Meeting shall by resolution from time determine.
 - b. The Board of Directors may in addition allow and pay to any Director who is not a bonafide resident of the place where a meeting of the Board of Committee or a general meeting of the Company is held, and who shall come to that place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for his travelling, hotel, boarding, lodging and other expenses incurred in attending or returning from meetings of the Board of Directors, or any Committee thereof or general meetings of the Company.
 - c. If any Directors shall be called upon to go or reside out of his usual place of residence on the Company's business or otherwise perform extra service outside the scope of his ordinary duties, the Board may arrange with such Director for such special remuneration for such service either by way of salary, commission, or the payment of a stated sum of money as they shall think fit, in addition to or in substitution of his remuneration above provided, and all the Directors shall be entitled to be paid or reimbursed or repaid any travelling, hotel and other expenses incurred or to be incurred in connection with the business of the Company and also to be reimbursed all fees for filing all documents which they may be required to file under the provision of the Act.

Directors may act notwithstanding vacancy.

104. The continuing Directors may act notwithstanding and vacancy in their body but subject to the provisions of the Act, if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filling up vacancies or for summoning a General Meeting of the Company or in emergencies.

Directors may contract with Company

105. Subject to the provisions of these Articles and the Act and the observance and fulfillment thereof, no Director shall be disqualified by his office from contracting with the Company for any purpose and in any capacity whatsoever including either as vendor, purchaser, agent, broker, underwriter of shares and debentures of the Company or otherwise, nor shall any such contract or arrangement entered into by or on behalf of Company in which any Director shall be in way interested be avoided, nor shall any Director, so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director holding the office, or of the fiduciary relationship thereby established, but it is hereby declared that the Nature of his interest must be disclosed by him as provided by the Act.

Directors may be Directors of Companies by the Company.

106. A director of this Company be, or become a Director of any Company promoted by this Company, or in which it may be interested as a vendor or member or otherwise and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefit as received as a Director or member of such Company.

MEETINGS OF DIRECTORS

Meetings of Directors.

107. The Directors may meet together as a Board from time to time for the dispatch of business and shall so meet at least four times in a year in such a manner that no more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The provisions of this Articles shall not be deemed to be contravened merely by reasons of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of quorum

Notice for Meeting for Directors.

108. A directors may at any time and the Secretary upon the request of a Director shall convene a meeting of the Board of Directors. At least 7 days advance notice of every meeting shall be given to every Director for the time being in India and at his usual address in India to every other Director.

Quorum for Meeting of the Board.

109. Subject to the provisions of the Act, the quorum for a meeting of the Directors shall be one third of the total strength of the Board of Directors, (any fraction contained in that one -third being rounded off as one) or two Directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purpose of quorum.

Appointment of Chairman.

110. The Board may elect one of its members to be the Chairman of the Board and the Board shall determine the period for which he is to hold such office.

Deputy Chairman or Vice-Chairman.

111. The Board may appoint a Deputy Chairman or Vice Chairman of the Board of Directors who to preside at meetings of the Board.
112. All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same the Deputy Chairman or Vice Chairman, if present shall preside and if he be not present at

such time, then in that case, the Directors shall chose one of their number then present to preside at the meeting.

Questions at Board Meetings how decided

113. Questions arising at any meeting of the Board shall be decided by majority of votes, and in case of an equality of votes, the Chairman of the meeting, whether the Chairman appointed by virtue of these Articles or the Director presiding at such meeting, shall have a second or casting vote.

Directors may appoint committees

114. Subject to provisions of the Act, the Directors may delegate any of their powers to committees consisting or such member or members of their body, as they think fit and they may from time to time revoke and discharge any such committee either wholly or in part and either as to person or purposes; but every committee so form shall in the Exercise of the powers so delegated to it conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such committees in conformity with such regulations and in fulfillment the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

Meetings of committees how to be governed

115. The meeting and proceedings of any such committees consisting of two or more Directors shall be Governed by the provisions herein contained in respect of the meeting and proceedings of the Directors, so far as the same are applicable thereto and not superseded by any regulation made by the Director under the last preceding Articles.

Board may authorise Director, manager, secretary or any other person.

116. The Board may authorise or empower any Director or Directors, managing Directors, manager or secretary of the company either by name, or otherwise or any person of the person either singly or jointly to exercise or perform all or any of the powers including the power to sub-delegate authorities and duties conferred or imposed on the Director by law or articles of association subject to such restrictions and conditions, if any, and either generally or in specific cases, as the Board may think proper.

Resolution by Circular.

- 117.
- a. A resolution passed by circular without a meeting of the board or a committee of the board appointed under Article 114 shall, subject to the provision of sub-clause (2) hereof and the Act be as valid and effectual as a Resolution duly passed at a meeting of the board or of a committee duly called and held.
 - b. A Resolution shall be deemed to have been duly passed by the resolution has been circulated in draft together with necessary papers, If any to all the Directors or to all the any members of the committee then in India (not being less in number than the quorum requisite for a meeting of the Board or the Committee as the case may be) and to all other Directors or other members of the committee at their usual addresses in India and has been approved by such of the Directors or member of the committee as are then in India or by a majority of such of them as are entitled to vote the Resolution.
 - c. Subject to the provisions of the Act, a statement signed by a director, secretary or other person authorised in that behalf by the Directors certifying the absence from India of any Directors shall for the purposes of this Article be prima facie conclusive.

POWERS OF DIRECTORS

General power of Directors

118. Subject to the provisions of the Act and these Articles, the Board of Directors of the company shall be entitled to exercise all such powers and to do all such acts and things as the company is authorised to exercise and do; provided that the board shall not exercise any power or do any

act or thing which is directed or required whether by THE Act or any other Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the company in general meeting; provided by further that in exercising such power or doing any such act or thing the board shall be subject to the provisions contained in that behalf in these in the Act or in the memorandum or these Articles or in any regulation not inconsistent therewith duly made there under including regulations made by the company in general meeting.

119. No regulation made by the company in general meeting shall invalidate any prior act of the board which would have been valid if that regulation had not been made.

MANAGING DIRECTOR OR MANAGING DIRECTORS OR WHOLETIME DIRECTORS OR WHOLETIME DIRECTORS

Powers to appoint Managing Director (s) or Wholetime Director(s) .

120. Subject to the provision of the Act and of these Articles, the Directors may from time appoint one or more of their body to be managing Director or Managing Directors (in which expression shall be included a joint or Deputy Managing Director), or a Wholetime Director or Wholetime Directors, of the company for such term not exceeding five years at a time and subject to conditions as they may think fit and may from time to time (subject to the provisions of any contract between him or them and the company), remove him or them from office and appoint another or others in his or their place or places.

What provisions the Managing and the Whole-time Directors shall be subject to

121. Subject to the provisions of the provisions of the Act and of these Articles, the Managing Directors or Whole-time directors shall not, while he or they continue to hold that office, be subject to retirement by rotation, and he or they continue to hold that office, be subject to retirement by rotation, and he or they shall subject to the provisions of any contract between him or them and the company , be subject to the same provision as to registration and removal as the other Directors of the company and he they shall ipso facto and immediately cease to be the Managing Director or managing Directors or Whole-time Director or Whole-time Directors if he or they cease to hold office of Director from any cause.

Remuneration of managing Director and Whole-time Director

122. The remuneration of the managing Director or managing Directors or Whole-time Director or Whole-time Directors (subject to provision of the Act and these Articles) shall from time to time to fixed by the Directors and be in accordance with the terms of his or their contract with the company.

Powers and duties of Managing Director and Whole-time Director

123. Subject to the provisions of the Act and to the terms of any contract with him or them, the Managing Director or Managing Director or Whole-time Director Directors shall have the whole substantially the whole to the of the management of the affairs of the Company subject to the superintendence control and managing direction of the Board of Directors.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

124. Subject to the provisions of the Act,—
- a. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - b. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

125. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

The Seal its custody and use.

126. The Directors shall provide a seal for the purpose of the company, and shall have power time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe Custody of the Seal for the time being and the Seal shall never be used except by or under the Authority by Resolution of the Directors or a committee of Directors previously given and in presence of at least two directors or of one Director and the Secretary and such Directors or Secretary shall sign every instrument to which the Seal be affixed in their/ his presence. Such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.

Deeds how executed.

127. Every Deed or other instrument to which the Seal of the Company is Required to be affixed shall, unless the same is executed by a duly constituted attorney of the Company, be signed by two Directors or one Directors and the Secretary ; Provided nevertheless that Certificates of debentures may be signed by one Director only or by the Secretary of the Company or by Attorney of the Company duly authorized in this behalf and certificate of shares shall be signed as provided in the Companies (issue of shares certificate) Rules, 1960.

DIVIDENDS

Division of Profits.

128. The profits of the company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of capital called upon the shares held by them respectively.

The Company in General Meeting may declare dividend.

129. The company in general meeting may declare dividends, to be paid to members according to their respective rights but no dividends shall exceed the amount recommended by the Board of Directors.

Dividend only to be paid out of profits.

130. No dividends shall be paid otherwise than out of the profit of the profit of the year or any other undistributed profits except as provided by sections 123 of the Act and no dividend shall carry interest as against the company. The declaration of the Board of Directors as to the amount of the profits of the company shall be conclusive.

Interim Dividend

131. The Board of Directors may, from time to time, pay to the Member interim dividend as in their judgment the position of the Company justifies.

Capital paid-up in advance at interest not to earn dividend.

132. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

Dividends in proportion to amount paid-up.

133. The company shall pay dividends in proportion to the amount paid-up or credited as paid-up on each share, where a larger amount is paid-up or credited as paid-up on some shares than others

Retention of dividends until completion of transfer.

134. Subject to the provisions of section 206A and other applicable provisions if any, of the Act, the Board of Directors may retain the dividends payable upon shares in respect of which any person is entitled to become a Member, or which any person under the Articles is entitled to transfer until such person shall become a member, in respect of such shares or shall duly transfer the same.

No Member to receive dividends whilst indebted to the company and company's right of reimbursement there out.

135. No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money, may be due or owing from him to the company in respect of such shares or shares or otherwise howsoever, either alone or jointly with other person or persons; and the board of Directors may deduct from person the interest or dividend payable to any member all sums of money so due from him to the company.

Transfer of shares must be registered.

136. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Dividends how remitted

137. Unless otherwise directed any dividend may be paid by cheque or warrant or by a pay slip or receipt having the force of a cheque or a warrant, sent through post to the registered address of the members or person entitled or in case of joint holders to that one of them first named in the register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means.

Unclaimed or un paid dividend.

138. No unclaimed or unpaid dividend shall be forfeited by the board unless the claim thereto becomes barred by law and the company shall comply with all the provisions of section 123 and 124 of the Act.

Special provision in reference to dividends.

139. Subject to the provisions of section 123 of the act and if and in far as may not be prohibited by that section or any other provision of the Act, any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend wholly or in part, by distribution of (a) partly or fully paid-up shares (b) debenture or debenture-stock, (c) any specific assets or property of the company, or in any one or more of such ways and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient, and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed, or that fractions of value less than Rupees one may be disregarded, in order to adjust the rights of the parties and may vest any such shares, debentures, debenture-stock or specific assets in trustees upon such trust for person entitled to the dividends as may seem expedient to the Directors, where required the Directors shall comply with section 39 of the Act and the Directors may appoint any person to sign any contract thereby required on behalf of the persons entitled to the dividend and such appointment shall be effective.

Dividends and call together

140. Any General meeting declaring a dividend may make a call on the Members of such amount, as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the Members be set off against calls.

RESERVES AND CAPITALISATION

Reserves

141. The board may, before recommending any dividend set aside out of the profits of the company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied and pending such application may, at the like discretion either be employed in the business of the Company as may be permitted by the Act, applied for payment of dividend or be invested in such manner as be permitted by the Act a the board may from time to time think fit.

Capitalization.

142. Any general meeting may resolve that any amounts standing to the credit of the share Premium Account, the capital Redemption Reserve Account or any moneys, investments or other assets forming part of the surplus monies arising from the realisation and where permitted by law, from the appreciation in value of any capital assets of the company) standing to the credit Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalised.

- a. by the issue and distribution as fully paid-up shares and if and to the extent permitted by the Act, of debentures, debentures stock- bonds or together obligations o the company;

or

- b. by crediting shares of the company which may have been issued and are not fully paid-up, with the whole or any part of the sum remaining unpaid thereon.

Provided that any amount standing to the credit of the share premium Account or the Capital Redemption reserve Account shall be applied only in crediting the payment of capital on shares of the company to be issued to members (as herein provided)as fully paid bonus shares

143. Such issue a d distribution under sub clause (1) (a) above and such payment to the credit of unpaid share capital under sub-clause (1) (b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of capital paid –up on the shares held by them respectively in respect of which such distribution under sub- clause (1) (a) or payment under sub-clause (1) (b) above shall be made on the footing that such members become entitled there to as capital.
144. The Director shall give effect to any such resolution and apply such portion of the profits, General Reserve or Reserve fund or any other Fund or Account as foresaid as may be required for the purpose of making in full for the shares, debentures or debenture stocks, bonds or other obligations of the company so distributed under sub-clause (1) (a) above or (as the case may be) for the purposes of paying in whole or in part the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under sub-clause (1) (b) above, provided that no such distribution payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
145. for the purposes of giving effect to any such resolution, the Directors may settle to any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of

any specific assets and may determine on that case payments to be made to any members on the footing of the value so fixed and may vest any such case, shares, debentures, debenture stock, bonds or other obligations, in trustees upon such trusts for the persons entitled thereto as may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.

146. Subject to the provisions of the Act and these Articles, in cases where some of the shares of the of the company are fully paid and others are partly paid only, such capitalization may be effected by the distribution of further shares in respect of the fully paid shares, and crating by partly paid up shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares and partly paid shares, the sum so applied on the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amount then already paid or credited as paid in the exiting fully paid an partly paid and shares respectively.
147. when deemed requisite , a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as foresaid and such appointment shall be effective.

ACCOUNTS

As to inspection of Accounts or Books by Members.

148. The board of Directors shall from time to times determine whether and to what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open for the inspection of Members not being Directors, and no Members (not being a director) shall have any right of inspecting any accounts or book or document of the company expect as conferred by law or authorised by the Board of Directors or by the Company in General Meeting.

Balance sheet etc. to be sent to each Member.

149. A copy of every such profit and loss account and balance sheet (including the Auditor's report be every other document required by law to be annexed or attached to the balance sheet) .shall at least twenty-one days before the meetings at which the same are to be laid before the meeting at which the same are to be laid before the Members , be sent to the Members of the Company, to every trustee for holders of debenture issued is by the company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him and to all persons other than such Members or trustees being persons so entitled; provided that the Company shall not be required to send the aforesaid documents if the said documents are made available for inspection at its Registered Office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient feature of such document, in the prescribed form, is sent to every Member of the Company and to every trustee for the holders of any debentures issued by the Company not less than twenty-one days before the date of the meeting.
150. Any member or holder of debentures of the Company and any person from whom the Company has accepted a sum of money by way of deposit shall, on demand, be entitled to be furnished, free of cost, with a copy of the last balance sheet of the Company and of every document required by law to be annexed or attached thereto, including the Profit and Loss Account and the Auditor's report.

Accounts when audited and approved to be conclusive except as to error discovered within three months.

151. Every Account of the Directors, when audited approved by a "General Meeting", shall be conclusive expect as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period. The account shall forthwith be corrected and thenceforth shall be conclusive.

Winding up

152. Subject to the provisions of Chapter XX of the Act and rules made there under
- a. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in-space or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
 - b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for • the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Secrecy

153. Every director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the company, shall if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transaction and affairs of the company with the customers and the state of the accounts with individuals and in relation thereto and shall by such declaration pledge himself not to his reveal any of the matters which may come expect when required so to do by the Directors or by law or by the person to whom such matters relate and expect so far as may be necessary in order to comply with any of the provisions in these contained .
154. No member shall be entitled to visit or inspect the company's works without the permission of the chairman or Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be trade, or secret process, or which may relate to do conduct of the business of the Chairman or Directors, it will be inexpedient in the interest of the members of the company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

155. Subject to the provisions of the Act every Director of the company or the Managing Director, Manager, Secretary and other officer or employee of the Company and the Trustees (if any) for the time being acting in relation to any of the affairs of the company and every one of them shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all reasonable casts, losses and expenses (including travelling expenses) which any such Director, managing Director, manager, Secretary or other officer or employee and the trustees (if any) for the time being acting in relation to any of the affairs of the company, may incur or become liable to by reason of any contract entered into or any act, deed or thing done or omitted to be done by him as such Director, officer, employee or Trustee or in any way in the discharge of his duties expect such as they may incur or sustain by or through their own negligence or default or misfeasance or breach of duty or breach of trust.
156. Subject as foresaid every Director, Managing Director, Manager, Secretary or other officer or employee of the Company or the Trustees (if any) for the time being acting in relation to any of the affairs of the company and every one of them shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal, or in connections with any application under section 633 of the Act in which relief is granted to him by the Court.

Directors and others not responsible for acts of others.

157. Subject to the provision of the Act no Director, the Managing Director or other of the company shall be liable for the acts, omissions, neglects or defaults of any director or officer or of joining in any omission or other act for conformity, or for any loss or expenses suffered by the company through insufficiency or deficiency of title to any property acquired by the order of the Directors for or on behalf of the company, or for the insufficiency or deficiency of any security in or upon which any⁶of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, to whom any monies, securities or effect shall be entrusted or deposited of for any loss occasioned by any error of judgment or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty, willful neglect, omission or default.

SECTION X- OTHER INFORMATION

MATERIAL CONTRACTS & DOCUMENTS FOR INSPECTION

The Contracts referred to in Para (A) below which are or may be deemed material, have been entered into by the Company. The contracts together with the documents referred to in paragraph (B) below, copies of all of which have been attached to the copy of this Letter of Offer may be inspected at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day from the date of this Letter of Offer until the closing of the subscription list.

A. MATERIAL CONTRACTS

1. Copy of Memorandum of Understanding dated August 09, 2014 between Polson Limited and Sobhagya Capital Options Limited (Lead Manager), Lead Manager to the Issue.
2. Copy of Memorandum of Understanding dated August 09, 2014 between Polson Limited and Purva Sharegistry (India) Private Limited, Registrar to the Issue.

B. DOCUMENTS FOR INSPECTION

1. Memorandum of Articles and Articles of Association of Polson Limited.
2. Certificate of Incorporation of the Company dated December 21, 1938.
3. Copy of the resolution passed by the Board of Directors of the Company at its meeting held on May 24, 2014 for the proposed Rights Issue.
4. Consents of the Directors, Auditors, Lead Manager to the Issue, Legal Advisor to the Issue, Bankers to the Company and Registrars to the Issue, to include their names in the Letter of Offer to act in their respective capacities.
5. The Report of the Auditors, M/s A. S. Madon & Co., Chartered Accountants, set out herein dated March 12, 2016 in relation to the restated financials of the Company for the last five financial years.
6. Letter dated March 12, 2016 from the Auditors of the Company, M/s A. S. Madon & Co., Chartered Accountants, confirming Tax Benefits as mentioned in this Letter of Offer.
7. Management certified working results of the Company dated March 23, 2016.
8. Certificate of Sources and Deployment Funds Certificate dated March 15, 2016 from M/s A. S. Madon & Co., Chartered Accountants.
9. Copies of Annual reports of the Company for the year ended March 31, 2011, March 31, 2012, March 31, 2013, March 31, 2014 and March 31, 2015.
10. Copies of listing applications made to BSE for permission to list the Equity Shares offered through this Letter of Offer and for an official quotation of the Equity Shares of the Company.
11. Due Diligence Certificate dated September 26, 2014 issued by Sobhagya Capital Options Limited.
12. Copy of tripartite agreement dated June 30, 2003 between the Company, National Securities Depository Limited (NSDL) and Registrar to the Company.
13. Copy of tripartite agreement dated June 19, 2008 between the Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Company.
14. Copy of Agreements in respect of the registered office of the Company.
15. Copy of Agreements in respect of the other properties/offices of the Company.
16. Copies of in-principle listing permission received from BSE vide their letter no. DCS/PREF/BS-RT/575/2014-15 dated December 08, 2014.
17. Letter No. CFD/DIL-II/ND/SK/OW/1435/2015 dated May 22, 2015 issued by SEBI for the Issue.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We the persons mentioned herein below, as Directors or otherwise, certify that all the relevant provisions of the Companies Act, 2013, as amended and the Guidelines issued by the Government of India or the Regulations and Guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the the Companies Act, 2013 the Securities and Exchange Board of India Act, 1992 or Rules or Regulations made there under or guidelines issued, as the case may be. We further certify that all the disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

Mr. Amol Jagdish Kapadia
Managing Director

Mrs. Sushila Jagdish Kapadia
Director

Mr. Lambore Dhau Gangaram
Director

Mr. Pravin Dayanand Samant
Director

Mr. Pradip N. Pai
Director

Mr. Sudhir H. Nevatia
Director

Mr. Haren Madhav Sampat
Director

SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY OF THE COMPANY

Mr. Sanjay Shantaram Bhalerao
(Chief Financial Officer)

Ms. Amita Sachin Karia
(Company Secretary & Compliance Officer)

Place: Mumbai
Date: March 25, 2016