

NOTICE

NOTICE is hereby given that the 69th Annual General Meeting of the members of Polson Limited will be held on 27th day of September, 2010 at the Registered office of the Company at Ambaghat, Vishalgad, Taluka - Shahuwadi, Dist - Kolhapur, Kolhapur - 415 101 at 10.00 a.m. to transact the following businesses :

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2010, along with the Profit and loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Amol Kapadia who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

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

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

By order of the Board of Directors


Sd/-
Jagdish Kapadia
Chairman

Place : Mumbai
Date : 30th August 2010

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty - eight hours before commencement of the Meeting.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 24thSeptember, 2010 to, 27th September, 2010, both days inclusive.

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Jagdish Kapadia

Sd/-
Jagdish Kapadia
Chairman

Place : Mumbai
Date : 30th August 2010

AUDITOR'S REPORT

To


The Shareholders of Polson Limited

1. We have audited the attached Balance Sheet of **POLSON LIMITED** as at **31st March, 2010** and also the Profit & Loss Account and Cash Flow statement for the Financial Year Ended on that date, annexed thereto. These financial statements are responsibility of the Company's Management. Our responsibility is to express opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with our accounting standard generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An Audit includes examining, on a test basis, evidence supporting the amount and disclosure in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation.
 3. As required by the Companies' (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of section 227(4A) of the Companies' Act, 1956, we enclose in the annexure, a statement on the matters specified in paragraph 4 & 5 of the said order.
 4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion, proper books of Accounts as required by Law have been kept by the Company so far as appear from our examination of the books;
 - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with this report are in agreement with the Books of Accounts;
 - iv. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this Report comply with the accounting standards referred to in sub-section (3c) of section 211 of the Companies' Act, 1956;
 - v. On the basis of written representation received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies' Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon/attached thereto and the schedule of the significant Accounting policies given in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
- (a) in the case of Balance Sheet, of the State of Affairs of the Company as on 31st March, 2010;

- (b) in the case of Profit and Loss Account of the profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flow for the year ended on that date.

Mumbai,
30.08.2010

For A.S.MADON & Co,
(Chartered Accountants)



Jay.M.Shah
Partner

Membership No. 48417



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITOR'S REPORT TO THE MEMBERS OF POLSON LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010.

- (i) (a) The company, for Fixed Assets, has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) A substantial portion of the fixed assets has been physically verified by the management during the year. According to the information and explanation given to us no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanation given to us, the company has not made any substantial disposals during the year.
- (ii) (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of the business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventories as compared to the book record were not material.
- (iii) (a) The Company has taken loans from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (c) There is no agreement for the repayment of the loan but the interest amount is paid properly.
- (d) As there is no commitment for the repayment of loan, hence in our opinion there is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of the business for the purchase of inventory, fixed asset and sale of goods. Further, on the basis of our examination of the books and records of the company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
- (v) There were transactions that need to be entered into the Register in pursuance of section 301 of the Companies Act, 1956 and have been appropriately recorded.
- (vi) The company has not accepted deposit from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) The Company has an internal audit system which, in our opinion is commensurate with its size and nature of the business.
- (viii) According to the information and explanation given to us, the notification issued by Central Government under section (209) (i) (d) of the Companies Act 1956 is not applicable to the company.
- (ix) (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax,

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- (ii) (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
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- (c) There is no agreement for the repayment of the loan but the interest amount is paid properly.
- (d) As there is no commitment for the repayment of loan, hence in our opinion there is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of the business for the purchase of inventory, fixed asset and sale of goods. Further, on the basis of our examination of the books and records of the company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
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- (vii) The Company has an internal audit system which, in our opinion is commensurate with its size and nature of the business.
- (viii) According to the information and explanation given to us, the notification issued by Central Government under section (209) (i) (d) of the Companies Act 1956 is not applicable to the company.
- (ix) (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax,

customs duty, excise duty, cess and other statutory dues with appropriate authorities.

- (b) According to the information and explanation given to us, no undisputed amount payable in respect of Income Tax, wealth Tax, Sales Tax, Custom Duty, Excise Duty and Cess were outstanding as at 31st March, 2010 for the period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty & Excise Duty which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xi) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any bank or debenture holders as at the Balance Sheet date. The Company has not taken loan or credit facility from any financial institution (except commercial Bank).
- (xii) The company has not granted any loans or advances on the basis of the security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund, Nidhi or mutual benefit fund /societies. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion and according to the information and explanation given to us, no guarantee has been given by the Company for loans taken by others from banks and financial institutions.
- (xvi) In our opinion, the term 'loan' has been applied for the purpose for which they were raised.
- (xvii) According to the information and explanation given to us, and on an overall examination of the Balance Sheet of the company, funds raised on short term basis have, prima facie, not been used during the year for Long term investment and vice versa.
- (xviii) The company has not made any preferential allotment of shares to parties and companies found in the register maintained under section 301 of the companies Act, 1956 during the year.
- (xix) According to the information and explanation given to us and the records examined by us, no debentures have been issued by the Company.
- (xx) The company has not raised any money by way of public issue during the year.
- (xxi) On the basis of our examination and according to the information and explanation given to us, no fraud on or by the company, has been noticed or reported during the year.

Mumbai,
30.08.2010

For A.S.Madon & co
Chartered Accountants

Jay.M.Shah

Jay.M.Shah
Partner

Membership No. 48417



DIRECTORS REPORT

To,
The Members
Polson Limited

Your directors take pleasure in presenting the 69th Annual Report, together with the Audited Accounts of your Company for the year ended 31st March 2010.

FINANCIAL RESULTS

FINANCIAL RESULTS:	Rs. In Lacs	
	2009-10	2008-2009
Gross Income	6082.57	4334.66
Less: Total Expenses	5250.76	3906.25
Profit/(Loss) Before Depreciation	831.81	428.41
Less: Depreciation	100.27	98.94
Profit/(Loss) Before Taxation	731.54	329.47
Less: Provision for Tax	245.51	120.96
Add : Deferred Tax Asset	0.74	5.72
Profit/(Loss) After Taxation	486.76	214.22
Add: Profit/(Loss) Brought Forward	1114.04	931.94
Less: Transferred to General reserve	73.02	32.13
Balance Carried to Balance sheet	1527.78	1114.04

OPERATIONS

During the year the Company has achieved a turn over of Rs. 6082.57 lacs against Rs. 4334.66 lacs for the previous year and net profit for the year is Rs.486.76 lacs against Rs.214.22 lacs for the previous year.

TRANSFER TO RESERVE:

During the year under review, Company has transferred Rs. 7301516.00 to the General Reserves.

DIVIDEND

Your director's wishes to retain the earnings for the development in the business and therefore do not recommend any dividend for the year under review.

PUBLIC DEPOSITS

Company has not accepted any deposit from the public within the meaning of section 58A of the Companies Act, 1956 during the year under review.

DISCLOSURE UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956:

The Particulars required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules,1988 in Annexure-I to this Directors report.

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PARTICULARS OF EMPLOYEES:

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

AUDITORS:

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

AUDITORS OBSERVATION:

Observations in the auditors report are self-explanatory and do not need further comments from directors in this report.

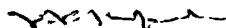
DIRECTORS

Mr Amol Kapadia retires by rotation and being eligible, offer himself for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT:

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

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of your Company at the end of the financial year and of the profit or loss of the Company for that period;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
4. the Directors have prepared the annual accounts on a going concern basis.

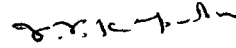


ACKNOWLEDGEMENT

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

Regd Office :
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By order of the Board of Directors



Sd/-
Jagdish Kapadia
Chairman

Place : Mumbai
Date : 30th August 2010

ANNEXURE II. CONSERVATION OF ENERGY:

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

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

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

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

Consumption of Furnace Oil to the extent or around 24% is increased against the actual increase of 46 % in production.

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

II. TECHNOLOGY ABSORPTION

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

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

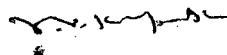
(g) Total foreign exchange used and earned:-

I. Earnings in Foreign Exchange during the year- 2398.28 Lacs

II. Foreign Exchange outgo during the year - Nil

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Sd/-
Jagdish Kapadia
Chairman

Place : Mumbai
Date : 30th August 2010

ANNEXURE

FORM A
(See rule 2)Form for disclosure of particulars with respect to conservation of energy

A. Power and fuel consumption

1.	Electricity	Current year	Previous year
	(a) Purchased		
	Unit	665091	601125
	Total amount	3696873	2864737
	Rate / Unit	5.56	4.77
	(b) Own generation		
	(i) Through diesel generator		
	Unit / Rs	3685344	2527880
	Unit per-ltr. Of fuel oil/gas	5 units	5 units
	Cost/unit	4.23	5.56
	(ii) Through steam turbine/generator		
	Unit		
	Unit per-ltr. Of fuel oil/gas		
	Cost/unit		
2.	Coal (specify quality and where used)		
	Quality (tones)	NIL	NIL
	Total Cost		
	Average rate		
3.	Furnace oil		
	Quantity (k. ltrs.)	628646 LTRS	505576 LTRS
	Total amount	15,014,815	14,064,851
	Average rate	23.88 PER LTR	27.81 PER LTR
4.	Others/internal generation (Please give details)		
	Quality	NIL	NIL
	Total Cost		
	Rate / Unit		

—

B. Consumption per unit of production

	Standards (if any)	Current year	Previous year
		1	2
Products (with details) unit		12829	8778
Electricity		3696873	2864737
Furnace oil		15014815	14064851
Coal (specify quality)		Nil	NIL
Other (specify)		NIL	NIL

NOTES:

- (1) Please give separate details for different products/items produced by the company and covered under these rules.
- (2) Please give reasons for variation in the consumption of power and fuel from standards of previous year.
- (3) In case of production of different varieties / specification consumption details may be given for equivalent production.

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FORM B
(See rule 2)

Form for disclosure of particulars with respect to absorption

Research and development (R & D)

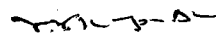
- | | |
|---|---|
| 1. Specific areas in which R & D carried out by the Company | Leather chemicals and its application and performance on leather in laboratory |
| 2. Benefits derived as a result of the above R & D | Reduction in Raw Material cost and there by increase in % of yield in comparison with Raw Material cost.
Also new Product Developments |
| 3. Future plan of action | New Product Developments and targeting new customer base in domestic & overseas market |
| 4. Expenditure on R & D: | |
| (a) Capital | |
| (b) Recurring | |
| (c) Total | |
| (d) Total R & D expenditure as a percentage of total turnover | During the year Company has incurred Rs. 700,313,-/ of expenditure on Research & Development |

Technology absorption, adoption and innovation

- | | |
|---|--|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation. | 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. |
| 2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. | Achieved to capture new clients and developed several new products and derived new advanced process. |
| 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished : | |
| (a) Technology imported , | |
| (b) Year of import | |
| (c) Has technology been fully absorbed? | |
| (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action | N.A. |

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By order of the Board of Directors


Sd/-
Jagdish Kapadia
Chairman

Place : Mumbai
Date : 30th August 2010

POLSON LIMITED

BALANCE SHEET AS AT 31st MARCH, 2010

PARTICULARS	SCH	As at 31-3-2010	As at 31-3-2009
SOURCES OF FUNDS			
Rs.			
a) Shareholders Funds			
Share Capital	1	6,000,000.00	6,000,000
Reserves & Surplus	2	182,080,717.00	133,873,682
b) Loans Funds			
Secured	3	158,139,408.00	125,315,612
Unsecured	4	45,834,376.00	27,949,000
TOTAL		392,054,501.00	293,138,294
APPLICATION OF FUNDS			
a) Fixed Assets			
Net Block (Cost less Depreciation)	5	145,526,474.00	107,757,232
b) Investments	6	42,070.00	42,070
c) Deferred Tax Asset		1,833,721.00	1,759,229
d) Net Current Assets			
Current Assets, Loans & Advances			
Inventories	7	88,666,320.00	65,603,218
Debtors	8	82,115,036.00	50,531,887
Cash and Bank Balances	9	16,137,856.00	21,756,843
Loans and Advances	10	193,283,237.00	107,565,231
	'A'	380,202,449.00	245,457,179
Less: Current Liabilities and Provisions	'B'	135,550,213.00	61,877,416
Net Current Assets (A - B)		244,652,236.00	183,579,763
TOTAL		392,054,501.00	293,138,294

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

Jay M. Shah
JAY M. SHAH
PARTNER
Membership No. 48417
Mumbai

Dated : 30th August 2010



J.J.KAPADIA

J.J. Kapadia
Chairman

AMOL J. KAPADIA

Amol J. Kapadia
Mg. Director

SUSHILA J. KAPADIA

Sushila J. Kapadia
Director

Mumbai

Dated : 30th August 2010

SCHEDULE -- 1 SHARE CAPITAL

PARTICULARS	AS AT 31.3.2010	AS AT 31.3.2009
Authorised		
50,000 6% Cumulative Redeemable Preference Shares of Rs.100 each	5,000,000.00	5,000,000
200,000 Equity Shares of Rs. 50 each	10,000,000.00	10,000,000
TOTAL	15,000,000.00	15,000,000
Issued and Subscribed (Fully Paid)		
20,000 Equity Shares against Preference Shares of Rs. 50 each	1,000,000.00	1,000,000
73,145 Equity Shares of Rs. 50 each issued for cash	3,657,250.00	3,657,250
5,000 Equity Shares of Rs. 50 each issued pursuant to a contract, without the payment being received in cash	250,000.00	250,000
21,855 Equity Shares of Rs. 50 each allotted as Bonus Shares issued by way of Capitalisation of Reserve	1,092,750.00	1,092,750
120,000 TOTAL	6,000,000.00	6,000,000

SCHEDULE 2: RESERVES AND SURPLUS

PARTICULARS	AS AT 31.3.2010	AS AT 31.3.2009
Capital Reserve	7,446,248.00	7,446,248
Investment Allowance Reserve	108,724.00	108,724
General Reserve	12,848,906.00	5,547,390
Profit & Loss Account	152,778,922.00	111,403,665
Asset Revaluation Reserve (Opening Balance Less Depreciation)	8,897,917.00	9,367,655
TOTAL	182,080,717.00	133,873,682

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

JAY M. SHAH
PARTNER
Membership No. 48417
Mumbai

Dated : 30th August 2010



J.J.Kapadia

Chairman

Amol J Kapadia

Mg. Director

Sushila J. Kapadia

Director

Mumbai

Dated : 30th August 2010

SCHEDULE 3 : SECURED LOANS

(in Rup (In Rupees)

PARTICULARS	(In Rupees)	
	AS AT 31-3-2010	AS AT 31-3-2009
Cash credit & Packing credit with bank	71,356,035.00	47,458,548
Export Bills Discounted/Purchased by Bank	9,022,128.00	-
(Both the above are secured by hypothecation of stock of raw material and finished goods, book debts, and equitable mortgage of land and building by deposit of title deeds)		
Term Loan (Equitable mortgage of Land, Building, Machinery)	28,762,847.00	23,209,347
Vehicle Loan (Secured by 6.Vehicles)	-	-
Term Loan (Secured against Ownership Flat at Mumbai)	33,202,898.00	42,569,217
LIC Loan against the Keyman Insurance Policy	15,795,500.00	12,078,500
TOTAL	158,139,408.00	125,315,612

SCHEDULE 4 : UNSECURED LOANS

(In Rupees)

PARTICULARS	(In Rupees)	
	AS AT 31-3-2010	AS AT 31-3-2009
From Directors	1,660,376.00	-
From Companies Under the Same Management	20,400,000.00	4,175,000
23774 0% Bonds of Rs. 1000 each (Convertible on 25-3-2030)	23,774,000.00	23,774,000
Loan from Others	-	-
TOTAL	45,834,376.00	27,949,000

As per our report of even date

J.J.KAPADIA

Chairman

FOR A.S.MADON & CO.

Chartered Accountants

AMOL J. KAPADIA

Mg. Director

SUSHILA J KAPADIA

Director

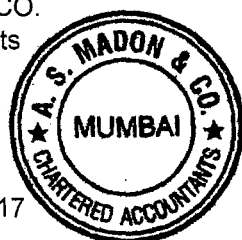
JAY M. SHAH

PARTNER

Membership No. 48417

Mumbai

Dated : 30th August 2010



Mumbai,
Date : 30th August 2010

POLSON LIMITED

SCHEDULE 5 – FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31st March 2010

Particulars	GROSS BLOCK				DEPRECIATION								NET BLOCK	
	As at 1st April, 2009	Additions	Sale	As at 31st March 2010	Deprn %	Written off upto 31st March, 2009	Written off for the period	Deprn for Addn	Total Written off during the year	Deprn on sales written back	Written off upto 31st March, 2010	As at 31st March, 2010	As at 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1 Land	11,163,926.00	867,175.00	-	12,031,101.00	-	-	-	-	-	-	-	12,031,101.00	11,163,926.00	
2 Buildings - For Factory	16,385,185.00	2,774,719.00	-	19,159,904.00	10.00	7,053,288.35	933,189.67	61,843.84	994,833.50	-	8,048,121.85	11,111,782.15	9,331,896.65	
Buildings - For others	92,481,851.00	17,052,599.00	-	109,534,450.00	5.00	23,945,156.91	3,426,834.70	403,317.21	3,830,151.91	-	27,775,308.82	81,759,141.18	68,536,694.09	
Buildings	-	19,917,770.00	-	19,917,770.00	-	-	-	-	-	-	-	19,917,770.00	-	
3 Plant & Machinery - AMBA	41,733,371.16	1,521,505.00	-	43,254,876.16	27.82	33,152,993.62	2,387,061.03	156,148.13	2,543,209.16	-	35,696,202.78	7,558,673.38	8,580,377.54	
Plant & Machinery - MIDC	1,883,230.00	-	-	1,883,230.00	27.82	992,430.78	247,820.34	-	247,820.34	-	1,240,251.12	642,978.88	890,799.22	
4 Transformer	357,308.00	-	-	357,308.00	15.33	338,121.17	2,941.34	-	2,941.34	-	341,062.51	16,245.49	19,186.83	
5 Oil Tank	409,715.00	-	-	409,715.00	15.33	379,275.26	4,666.41	-	4,666.41	-	383,941.67	25,773.33	30,439.74	
6 Electric Installation	97,842.00	-	-	97,842.00	13.91	79,483.27	2,553.70	-	2,553.70	-	82,036.97	15,805.03	18,358.73	
7 Furniture & Fixture	454,929.00	-	-	454,929.00	18.10	407,042.71	8,667.42	-	8,667.42	-	415,710.13	39,218.87	47,886.29	
	7,247,729.00	1,144,797.00	-	8,392,526.00	18.10	2,880,985.76	790,380.53	1,535.49	791,916.02	-	3,672,901.78	4,719,624.22	4,366,743.24	
8 Office Appliances	117,749.00	-	-	117,749.00	13.91	111,665.64	846.20	-	846.20	-	112,511.84	5,237.16	6,083.36	
Office Equipments	985,618.87	619,223.54	-	1,604,842.41	13.91	311,750.77	93,735.05	16,350.66	110,085.71	-	421,836.48	1,183,005.93	673,868.10	
9 Laboratory	521,689.48	-	-	521,689.48	13.91	257,154.08	36,796.87	-	36,796.87	-	293,950.95	227,738.53	264,535.40	
10 Motor Car	7,771,473.76	5,505,602.00	3,042,537.00	10,234,538.76	25.89	5,278,038.56	645,550.37	920,424.04	1,565,974.41	1,222,593.00	5,621,419.97	4,613,118.79	2,493,435.20	
11 Motor Cycle	18,730.00	-	-	18,730.00	25.89	18,710.11	5.15	-	5.15	-	18,715.26	14.74	19.89	
	82,454.00	-	-	82,454.00	25.89	77,336.04	1,325.04	-	1,325.04	-	78,661.08	3,792.92	5,117.96	
12 Cycle	636.00	-	-	636.00	20.00	635.37	0.63	-	0.63	-	636.00	0.00	0.63	
13 Pipe Line	306,782.00	-	-	306,782.00	15.33	301,056.49	877.72	-	877.72	-	301,934.21	4,847.79	5,725.51	
14 Agri. Machinery	199,424.00	-	-	199,424.00	13.91	187,448.30	1,665.82	-	1,665.82	-	189,114.12	10,309.88	11,975.70	
15 Pattern	5,015.00	-	-	5,015.00	13.91	4,860.79	21.45	-	21.45	-	4,882.24	132.76	154.21	
16 Deep Tube Well	65,280.00	-	-	65,280.00	13.91	61,068.58	585.81	-	585.81	-	61,654.39	3,625.61	4,211.42	
17 Airconditioner	1,193,724.00	280,950.00	-	1,474,674.00	13.91	403,691.03	109,893.59	2,139.89	112,033.46	-	515,724.51	958,949.49	790,032.97	
18 Stching Machine	12,902.00	-	-	12,902.00	13.91	9,755.00	437.75	-	437.75	-	10,192.75	2,709.25	3,147.00	
19 Motor Tractor	438,130.00	-	-	438,130.00	30.00	406,904.73	9,367.58	-	9,367.58	-	416,272.31	21,857.69	31,225.27	
20 Computer & Printer	2,037,218.00	401,525.58	-	2,438,743.58	40.00	1,604,994.77	172,889.29	54,212.92	227,102.21	-	1,832,096.98	606,646.60	432,223.23	
21 Weighing Scale	70,602.00	-	-	70,602.00	13.91	50,513.27	2,794.34	-	2,794.34	-	53,307.61	17,294.39	20,088.73	
22 Goodwill	29,079.00	-	-	29,079.00	-	-	-	-	-	-	-	29,079.00	29,079.00	
TOTAL	186,071,593.27	50,085,866.12	3,042,537.00	233,114,922.39		78,314,361.36	8,880,907.80	1,615,772.17	10,496,679.97	1,222,593.00	87,588,448.33	145,526,474.06	107,757,231.91	
Previous year figures	179,333,504.74	1,414,085.00	186,071,593.27	179,333,504.74		68,513,980.59	10,106,079.80	295,281.95	10,403,361.75	602,981.00	78,314,361.34	107,757,231.93	110,819,524.15	

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

JAY M. SHAH
PARTNER
Membership No. 48417

Mumbai
Dated 30th Augst 2010



Total Depreciation for the year (2008-09)
LESS: Depreciation for Revalued Assets debited
to Asset Revaluation Reserve (Sch-2)
Balance debited to Profit & Loss a/c (Sch - 14)
Rounded to Rs.

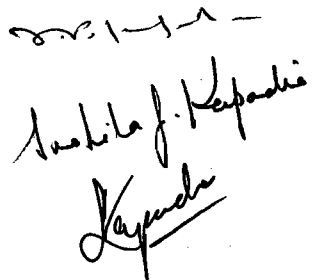
J.J.KAPADIA)
AMOL J. KAPADIA)
SUSHILA J. KAPADIA)
10,496,679.97
-469,737.88
10,026,942.09
10,026,942.00

Chairman
Managing Director
Director
(Signatures)

Mumbai
Dated : 30th August 2010

POLSON LIMITED
DEPRECIATION ON REVALUATION RESERVE

	A 5%	B 10%	A+B	C 13.91%	D 15.33%	E 15.33%	F 0.00%	A+B+C+D+F
	Bldg-others	Fact Bldg	Total Bldg	Pl & Mach	Trans+ Oil Tank	Pipe Line	Land	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
op. Bal	12,459,915.00	1,948,936.00	14,408,851.00	4,703,073.00	143,673.00	256,022.00	1,759,053.00	21,270,672.00
1st Year(Dep) F.Y.1996-97	622,995.75	194,893.60	817,889.35	654,197.45	22,025.07	39,248.17	0.00	1,533,360.05
Balance 31.3.1997	11,836,919.25	1,754,042.40	13,590,961.65	4,048,875.55	121,647.93	216,773.83	1,759,053.00	19,737,311.95
2nd Year (Dep) F.Y.1997-98	591,845.96	175,404.24	767,250.20	563,198.59	18,648.63	33,231.43	0.00	1,382,328.85
Balance 31.3.1998	11,245,073.29	1,578,638.16	12,823,711.45	3,485,676.96	102,999.30	183,542.40	1,759,053.00	18,354,983.11
3rd year (Dep) F.Y.1998-99	562,253.66	157,863.82	720,117.48	484,857.66	15,789.79	28,137.05	0.00	1,248,901.99
Balance 31.3.1999	10,682,819.62	1,420,774.34	12,103,593.97	3,000,819.29	87,209.51	155,405.35	1,759,053.00	17,106,081.12
4th year(Dep) F.Y.1999-00	534,140.98	142,077.43	676,218.42	417,413.96	13,369.22	23,823.64	0.00	1,130,825.24
Balance as on 31.3.2000	10,148,678.64	1,278,696.91	11,427,375.55	2,583,405.33	73,840.29	131,581.71	1,759,053.00	15,975,255.88
4th year(Dep) F.Y.2000-01	507,433.93	127,869.69	635,303.62	359,351.68	11,319.72	20,171.48	0.00	1,026,146.50
Balance as on 31.3.2001	9,641,244.71	1,150,827.22	10,792,071.93	2,224,053.65	62,520.57	111,410.23	1,759,053.00	14,949,109.38
5th year(Dep) F.Y.2001-02	482,062.24	115,082.72	597,144.96	309,365.86	9,584.40	17,079.19	0.00	933,174.41
Balance as on 31.3.2002	9,159,182.47	1,035,744.50	10,194,926.97	1,914,687.79	52,936.17	94,331.04	1,759,053.00	14,015,934.97
6th year(Dep) F.Y. 2002-03	457,959.12	103,574.45	561,533.57	266,333.07	8,115.11	14,460.95	0.00	850,442.71
Bal as on 31.3.03	8,701,223.35	932,170.05	9,633,393.40	1,648,354.71	44,821.06	79,870.10	1,759,053.00	13,165,492.26


 Anshika J. Kapadia
 Kapadia

	5%	10%		13.91%	15.33%	15.33%	0.00%	
	Bldg-others	Fact Bldg	Total Bldg	Pl & Mach	Trans+ Oil Tank	Pipe Line	Land	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
7th year(Dep) F.Y. 2003-04	435,061.17	93,217.00	528,278.17	229,286.14	6,871.07	12,244.09	0.00	776,679.47
Bal as on 31.3.04	8,266,162.18	838,953.04	9,105,115.23	1,419,068.57	37,949.99	67,626.01	1,759,053.00	12,388,812.80
8th year(Dep) F.Y. 2004-05	413,308.11	83,895.30	497,203.41	197,392.44	5,817.73	10,367.07	0.00	710,780.65
Bal as on 31.3.05	7,852,854.07	755,057.74	8,607,911.81	1,221,676.14	32,132.25	57,258.94	1,759,053.00	11,678,032.14
9th year(Dep) F.Y. 2005-06	392,642.70	75,505.77	468,148.48	169,935.15	4,925.87	8,777.80	0.00	651,787.30
Bal as on 31.3.06	7,460,211.37	679,551.96	8,139,763.33	1,051,740.98	27,206.38	48,481.15	1,759,053.00	11,026,244.85
10th year(Dep) F.Y. 2006-07	373,010.57	67,955.20	440,965.76	146,297.17	4,170.74	7,432.16	0.00	598,865.83
Bal as on 31.3.07	7,087,200.80	611,596.77	7,698,797.57	905,443.81	23,035.64	41,048.99	1,759,053.00	10,427,379.01
11th year(Dep) F.Y. 2007-08	354,360.04	61,159.68	415,519.72	125,947.23	3,531.36	6,292.81	0.00	551,291.12
Bal as on 31.3.08	6,732,840.76	550,437.09	7,283,277.85	779,496.58	19,504.28	34,756.18	1,759,053.00	9,876,087.89
12th year(Dep) F.Y. 2008-09	336,642.04	55,043.71	391,685.75	108,427.97	2,990.01	5,328.12	0.00	508,431.85
Bal as on 31.3.09	6,396,198.72	495,393.38	6,891,592.11	671,068.61	16,514.27	29,428.06	1,759,053.00	9,367,656.04
13th year(Dep) F.Y. 2009-10	319,809.94	49,539.34	369,349.27	93,345.64	2,531.64	4,511.32	0.00	469,737.88
Bal as on 31.3.10	6,076,388.79	445,854.04	6,522,242.83	577,722.96	13,982.63	24,916.73	1,759,053.00	8,897,918.16

Kapadia


Sushila J. Kapadia


Schedule - 6 -- INVESTMENTS

PARTICULARS	AS AT 31-3-2010	AS AT 31-3-2009
4,000 Shares of Vallabh Glass Works at Book Value Rs. 10 each. (Market Value as at 31-03-2008 Rs.4,000/- (Previous year Rs. 4,000/-)	40,000.00	40,000
20 Shares of NELCO at Book Value of Rs.104 each (Market Value as at 31-03-2008 Rs.5,866/-, Previous Year Rs.5,866/-)	2,070.00	2,070
41,000 Equity shares of Sunflag Iron & Steel Ltd at a book value of Rs. 8,93,317/- - Market Value as at 31.3.2007 -- Rs.7,09,300/- (Previous year - 8,93,317)	0	0
Total	42,070.00	42,070

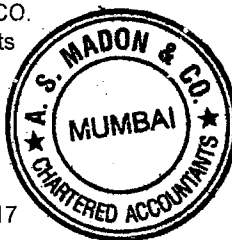
SCHEDULE 7: INVENTORIES

PARTICULARS	AS AT 31.3.2010	AS AT 31.3.2009
Cans & Trays - Dairy Division	13,000.00	13,000
General Stores, Spare Parts etc.	8,003,286.00	6,492,604
Raw Materials	48,330,477.00	35,973,301
Finished Products	24,468,012.00	17,938,737
Work in Process	3,729,028.00	3,317,882
Eucalyptus Plantations	113,033.00	113,033
Other Plantation in Progress	1,778,736.00	1,286,161
Live Stock	2,230,748.00	468,500
Total	88,666,320.00	65,603,218

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

J. Shah
JAY M. SHAH
PARTNER
Membership No. 48417
Mumbai
Dated 30th August 2010



J.J.KAPADIA

J.J. Kapadia
Chairman

AMOL J. KAPADIA

Amol J. Kapadia
Mg. Director

SUSHILA J. KAPADIA

Sushila J. Kapadia
Director

Mumbai

Dated 30th August 2010

SCHEDULE 8: SUNDRY DEBTORS

PARTICULARS	AS AT 31.3.2010	AS AT 31.3.2009
<u>Considered Good:</u>		
Under 6 Months	78,967,395.00	40,508,532
Over 6 Months	1,824,570.00	8,700,284
<u>Considered Doubtful or Bad</u>		
Over 6 Months	1,323,071.00	1,323,071
Less: Provision		
TOTAL	82,115,036.00	50,531,887

SCHEDULE 9: CASH AND BANK BALANCES

PARTICULARS	AS AT 31.3.2010	AS AT 31.3.2009
Cash on Hand	753,256.00	595,001
<u>Balances with Scheduled Banks:</u>		
in Current Account	5,329,600.00	656,842
in Fixed Deposit Account	10,055,000.00	20,505,000
TOTAL	16,137,856.00	21,756,843

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

Jay M. Shah
JAY M. SHAH
PARTNER
Membership No. 48417
Mumbai
Dated 30th August 2010



J.J.KAPADIA

Chairman *J.J. Kapadia*

AMOL J. KAPADIA

Mg. Director *Amol J. Kapadia*

SUSHILA J. KAPADIA

Director *Sushila J. Kapadia*

Mumbai

Dated 30th August 2010

SCHEDULE -- 10 :: LOANS & ADVANCES
(Unsecured and considered good, except where stated otherwise)

PARTICULARS	AS AT 31.3.2010	AS AT 31.3.2009
Loans to Officers of the Company	-	-
Loans & Advances to employees	681,383.00	662,093.00
Loans/Advance to others for business purpose	11,552,212.00	5,926,478.00
Advances Recoverable in Cash or in Kind	17,029,453.00	9,325,627.00
Tax paid in advance & Deducted at Source	41,050,773.00	26,391,576.00
Cenvat	623,940.00	1,008,796.00
Interest Accrued and receivable	1,875,121.00	1,183,744.00
Sundry Deposits and Advances:		
with Government and Local Authorities	1,006,596.00	529,476.00
with others:		
Considered good	119,457,859.00	62,531,541.00
Considered doubtful	-	-
Deposit (Lease Vehicle Rs. - + Gas Rs. 1900)	5,900.00	5,900.00
Prepaid Expenses	-	-
TOTAL	193,283,237.00	107,565,231.00

SCHEDULE - 11 :: CURRENT LIABILITIES & PROVISIONS

PARTICULARS	AS AT 31.3.2010	AS AT 31.3.2009
Sundry Creditors	69,051,076.00	30,061,379.00
Provision for Performance Bonus & Expenses	2,005,763.00	1,095,580.00
Provision for Income Tax	50,333,181.00	28,047,407.00
Deposits received from Associated Companies	14,160,000.00	2,660,000.00
Advances received for supply of finished goods	193.00	13,050.00
Deferred Tax Liability A.Y. 2004-05	-	-
Other Liabilities	-	-
TOTAL	135,550,213.00	61,877,416.00

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

J. Shah

JAY M. SHAH
PARTNER
Membership No. 48417
Mumbai
Dated 30th August 2010



J.J.KAPADIA Chairman

AMOL J. KAPADIA Mg. Director

SUSHILA J. KAPADIA Director

Mumbai
Dated 30th August 2010

J.J. Kapadia
Amol J. Kapadia
Sushila J. Kapadia

POLSON LIMITED
PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH, 2010

PARTICULARS	Sch	Year ended 31st March '10	Year ended 31st March '09
Operating Income:	12	596,209,896.00	428,679,938
Less : <u>Operating Expenses</u>			Rs.
Direct Expenses:	13	455,034,901.00	317,008,405
Indirect Expenses:	14	80,068,649.00	83,511,504
Total Operating Expenses		535,103,550.00	400,519,909
Operating Profit		61,106,346.00	28,160,029
Add : Non Operating Income	15	12,047,103.00	4,786,556
PROFIT BEFORE TAX		73,153,449.00	32,946,585
Less: <u>Income Tax</u>		24,551,168.00	12,096,520
Deferred Tax Liability		-	0
Deferred Tax Asset		74,492.00	572,601
PROFIT AFTER TAX		48,676,773.00	21,422,666
Less: Transferred to General Reserve 15%		7,301,516.00	3,213,400
Add: Balance B/F from last year		111,403,665.00	93,194,399
Add: Excess+ / (Short -) of Tax over provision		-	0
BALANCE CARRIED TO BALANCE SHEET		152,778,922.00	111,403,665

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

JAY M. SHAH
PARTNER
Membership no. 48417
Mumbai
Dated : 30th August 2010



J.J.KAPADIA

Chairman

AMOL J. KAPADIA

Managing Director

SUSHILA J. KAPADIA

Director

Mumbai

Dated : 30th August 2010

**Schedule 12
Operating Income**

Particulars	Half Year ended 31st Mar, 2010	Year ended 31st March, 2009
		Rs.
Sales (Domestic)	246,387,810.00	193,515,240
Sales (export)	340,586,348.00	229,141,360
Modvat Credit	8,969,628.00	6,023,338
Sale - Live stock	266,110.00	0
Total	596,209,896.00	428,679,938

**Schedule 13
Direct Expenses**

Particulars	Year ended 31st March, 2010		Year ended 31st March, 2009	
			Rs.	
<u>Raw Material Consumed</u>				
Op Stock	35,973,301.00		41,215,574	
Add : Purchases	383,434,745.00		253,293,287	
	419,408,046.00		294,508,861	
Less : Closing Stock	(48,330,477.00)		(35,973,301)	
(Increase) / Decrease in finished Goods	(6,940,421.00)	364,137,148.00	(1,736,554)	256,799,006
<u>General Stores/Fuel Consumption</u>				
Op Stock	6,605,637.00		7,743,729	
Add : Purchases	50,874,441.00		34,903,050	
	57,480,078.00		42,646,779	
Less : Closing Stock	(8,116,319.00)	49,363,759.00	(6,605,637)	36,041,142
Live stock purchases	2,614,098.00			
Less : Closing Stock	2,230,748.00	383,350.00		
Factory Wages		11,428,809.00		7,709,050
Excise Duty exp				0
Carriage Inward		10,129,867.00		169,318
Freight & Forwarding		12,927,093.00		9,255,119
Factory Canteen Exp		184,177.00		71,242
Commission		493,313.00		545,040
Factory Electricity		3,696,873.00		2,864,737
Repairs & Maintenance		1,715,320.00		3,391,257
Factory Telephone Exp		69,338.00		37
Transit Insurance		41,363.00		42,135
Factory Travelling Exp		464,491.00		120,322
Total		455,034,901.00		317,008,405

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

Jay M. Shah
JAY M. SHAH
PARTNER Membership No. 48417
Mumbai
Dated 30th August 2010



J.J.KAPADIA Chairman

AMOL J. KAPADIA Mg. Director

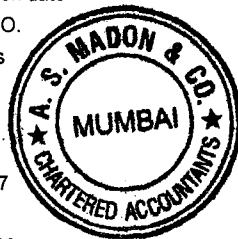
SUSHILA J. KAPADIA Director

Mumbai
Dated 30th August 2010

SCHEDULE -- 14
INDIRECT EXPENSES

Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
Freight & Forwarding Exp	8,439,889.00	17,580,256
Research & Development	700,313.00	590,742
Insurance	4,390,766.00	4,377,382
Interest & Finance Charges	16,013,781.00	15,454,782
Postage & Telegram	429,068.00	294,252
Printing & Stationery	336,657.00	340,478
Rent, Rates & Taxes	2,035,542.00	824,147
Salary & Wages	6,062,400.00	6,425,197
Apprentice Stipend	151,604.00	145,497
Travelling Exp (includes Director's travelling) (Domestic Rs.13,87,989/- ; Foreign Rs 49,02,215/-)	6,252,081.00	4,168,785
Repairs & Maintenance	3,561,573.00	3,849,162
Computer Maintenance	145,985.00	68,598
Staff Welfare	1,150,196.00	507,286
Advertisement	85,900.00	136,606
Sales Commission	-	213,582
Discount	1,090,497.00	-
Conveyance	677,075.00	597,717
Legal Exp	785,867.00	105,200
Machinery Lease rent	60,000.00	60,000
Office Exp	426,969.00	248,598
Security Exp	83,571.00	70,277
Membership & Subscription	2,032,612.00	1,201,992
Vehicle Exp	1,545,093.00	1,611,432
Sundry Exp	540,617.00	332,599
Business Promotion	1,825,850.00	1,039,055
Professional Fees	3,628,506.00	1,902,427
Electricity Exp.	938,418.00	768,157
Telephone Exp.	1,188,143.00	1,008,497
Internet charges	87,725.00	17,090
Audit Fees	400,000.00	310,000
Diwali Gift	280,032.00	311,627
Donation	175,000.00	1,346,500
Exchange Difference	-	5,646,649
General Exp	1,743,292.00	468,586
Depreciation	10,026,942.00	9,894,930
Interest on Fringe benefit tax	-	21,030
Loss on Sale of Car	465,612.00	75,104
Service Tax	406,085.00	554,947
Live Stock Expenses	-	101,128
Bad Debt	1,778,041.00	-
Fringe Benefit Tax	126,947.00	810,452
Bank Cash Trans Tax	-	30,758
Total	80,068,649.00	83,511,504

As per our report of even date
FOR A.S.MADON & CO.
Chartered Accountants
J. Shah
JAY M. SHAH
PARTNER
Membership No. 48417
Mumbai
Dated 30th August 2010



J.J.KAPADIA Chairman *J.J. Kapadia*
AMOL J. KAPADIA Mg. Director *Amol J. Kapadia*
SUSHILA J. KAPADIA Director *Sushila J. Kapadia*
Mumbai
Dated 30th August 2010

Schedule 15
Non Operating Income

Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
Cash Discount	122,512	6,203
Sundry Income	6,525	43,535
Sales Tax Refund recd	1,311,754	441,232
Interest received	4,739,420	2,470,698
Rent received	4,605,000	1,824,888
Exchange Difference	1,261,892	-
Dividend received	-	-
Profit on Sale of Live Stock	-	-
Total	12,047,103	4,786,556

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

J. Shah
JAY M. SHAH
PARTNER
Membership No. 48417
Mumbai
Dated 30th August 2010



J.J.KAPADIA

Chairman *J.J. Kapadia*

AMOL J. KAPADIA

Mg. Director *Amol J. Kapadia*

SUSHILA J. KAPADIA

Director *Sushila J. Kapadia*

Mumbai

Dated 30th August 2010

NOTES FORMING PART OF THE ACCOUNTS

A. Accounting Policies :

- i) The Company follows the Mercantile System of Accounting and recognises Income and Expenditure on accrual basis. However, Gratuity and Bonus to staff are accounted on cash basis or provided at the time of retirement.

The accounts are prepared on historical cost basis, and as a going concern. Accounting Policies not referred to otherwise are consistent with generally accepted accounting principles.

- ii) Fixed Assets are stated at their revalued cost less Depreciation actually provided for.
- iii) Stock of finished goods is valued at lower of cost and net realisable value. Stock of Raw Materials and Stock-in-process are valued at lower of actual or market price. The cost is worked out on FIFO Basis.
- iv) Depreciation charged in the accounts is on the basis of written down value method.
- v) Contingent Liabilities are not provided for and are disclosed by way of notes.

B. Research & Development :

During the year, the Company has incurred Rs. 7,00,313/- (previous year Rs. 5,90,742/-) of expenditure on Research & Development.

C. Contingent Liabilities :

- 1) Bills discounted with Banks - Rs.90,22,128 (Previous Year - Rs. NIL)
- 2) The Company has filed two suits against Modipon Ltd., for unlawful termination of agreement for a sum aggregating to Rs.3,26,60,748/-. The said Company has made counter claim for Rs.4,76,30,582.68. The case is pending before the Court.

-contd 2

initials
JJ/m
x

[Signature]
ATC
x

[Signature]
SIC
x

D. OTHER NOTES

- 1) As and when employees are paid Gratuity, it is debited to Gratuity Account in that year.
- 2) Against Loans, Deposits, Advances and Debtors amounting to Rs.13,23,071/- considered doubtful, no provision has been made. (Previous Year - Rs.13,23,071/-)
- 3) Fees paid to Auditors in respect of :-

Audit Fees	400,000
Other Matters(For Tax Audit etc)	0
Total	400,000
- 4) There is no practice for getting the confirmation of balances from the Debtors, Creditors and for Deposits, Loans and Advances.
- 5) The Company revalued some of its Assets on 1-4-1994.
- 6) Information required pursuant to paragraphs 3, 4C and 4D of part II of Schedule VI of the Companies Act, 1956 (Amended)

(A) Expenditure incurred on employees who are in receipt of remuneration in excess of Rs.2,00,000/- per month

2009-2010	2008-2009
1	1
Rs. 30,00,000/- Mr. Amol Kapadia. Managing Director	Rs. 30,00,000/- Mr. Amol Kapadia. Managing Director

(B) Licensed & Installed Capacity, Production, Opening & Closing Stock of goods produced and sales thereof.

	2009-10	2008-09
Licensed Capacity(per year on three shift basis)	N.A.	N.A.
Installed Capacity(per year on three shift basis as certified by director)	18000 mt	18000 mt
<u>Vegetable & Chemical Tannin Products</u>		
Actual Production (mt)	12,829	8,778
Opening Stock(mt)	457	398
Value (Rupees)	14,416,678	332,78,432
Closing Stock (mt)	720	457
Value (Rupees)	17,938,736	144,16,678
Sales (mt)	12,566	8,719
Value (Rupees) NET	562,422,984	395,650,751

Note : i) All the quantity figures are correct to the nearest unit of account, which is in m.ton.
ii) During the year 2006-07, the company installed pulveriser and other machines thus increasing the installed capacity to 1500 mt per month

---contd 3

initials
JUL 2010
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(C) Raw Materials consumed during the year

	2009-2010		2008-2009	
	Tonnes	Rupees	Tonnes	Rupees
Vegetable Fruits & Barks & Chemicals	17,475	337,778,317	9,965	213,481,223

(D) Value of Import on CIF Basis

	2009-10 Rs.	2008-09 Rs.
I) Raw Material	NIL	22,696,373 (EURO 9360/- USD 263152)
II) Components & Spares	-	-
III) Capital Goods	-	-
(E) Expenditure in Foreign Currency :	NIL	(EURO 9360/- USD 263152 (Rs. 22,696,373/-)
(Import of Raw Material)	NIL	22,696,373

(F) Value of Imported and Indigenous Raw Material, Spare Parts and Components consumed during the year, giving percentage of each to the total consumption:

	Imported		Indigenous	
	2009-10 (Rs. In Lacs)	2008-09 (Rs. In Lacs)	2009-10 (Rs. In Lacs)	2008-09 (Rs. In Lacs)
Raw Material (incl. custome duty, etc)	NIL	164.05	NIL	164.05
% age of Total Consumption		7.68%		7.68%

(G) Earnings in Foreign Exchange :

	2009-10	2008-09
i) Export of goods on FOB (in Rs.)	123,708,672 (USD 2616973)	83,482,847 (USD 1891194)
ii) Third party export earnings (in RS.) :	116119663 (USD 2496492)	70388937 (USD 1538293)

(H) Remittance of Dividend during the year to Non-Resident Shareholders :) No amount was remitted during the year in Foreign Currency on account of Dividend.

7) Salary paid to Managing Director = Rs.30,00,000/- during 2009-10 (Previous year Rs. 30,00,000/-)

8) 0 % 23,774 Bonds of Rs.1,000/- each are issued to M/s Oriental Pharmaceuticals Industries Limited.

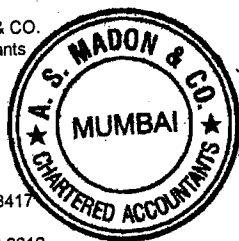
9) The figures for the previous year, in the case of Profit & Loss Account, and as at the end of previous year, in the case of Balance Sheet, have been rearranged, wherever necessary, for comparative purposes.

As per our report of even date

In the opinion of the Board, the current assets, loans & advances are approximately of the values stated, if realised in the ordinary course of business.

FOR A.S.MADON & CO.
Chartered Accountants

J. Shah
JAY M. SHAH
PARTNER
Membership No. 48417
Mumbai
Dated: 30th August 2010



J.J.KAPADIA
AMOL J. KAPADIA
SUSHILA J. KAPADIA

Mumbai
Dated: 30th August 2010

Chairman

Mg. Director

Director

M. J. Kapadia
M. J. Kapadia
Sushila J. Kapadia

Notes to accounts [contd]

Related Party disclosure for the year ended March 31,2010.

Related Parties and their relation ships

Enterprises over which significant influence exercised by Key

Management Personnel/Directors.:-

BK GIULINI SPECIALITIES PVT LTD

AJK INVESTMENT PVT LTD

AJI INVESTMENT PVT LTD

AJI COMMERCIAL INVESTMENT

AJK COMMERCIAL INVESTMENT

NEW COMMERCIAL MILLS CO LTD

NEW COMMERCIAL INVESTMENT & TRADING CO LTD

ORIENTAL PHARMACEUTICALS INDUSTRIES LTD

LOTUS MILLS LTD

EUROPA CHEMICALS PVT LTD

Key Management Personnel :-

AMOL KAPADIA

Relatives of Key Management Personnel:-

SUSHILA KAPADIA

The company has entered into related party transactions whose details are given below:

in Lakhs

Particulars	Key Management Personal	Relatives of Key Management Personal/Directors.	Enterprises over which significant influence exercised by Key Management Personnel/Directors.	Total
Sale of Goods [inclusive tax]			1900.56	1900.56
			842.95	842.95
Finance taken [Incl loans & Equity]	16.60		113.00	129.60
			41.75	41.75
Interest paid		0.30	9.04	9.34
		0.42	4.38	4.80
Amount receivable			193.86	193.86
			104.50	104.50
Lease and other deposits given			576.00	576.00
			521.00	521.00
Lease and other deposits taken		4.00	80.00	84.00
		10.00	12.00	22.00
Remuneration to Key Managerial personal	30.00			30.00
	30.00			30.00

fig in Bold represent current year numbers

Notes to accounts [contd]

Disclosure in respect of material transaction with related parties :-

2009 - 10

Rs. In Lakh

2008 - 09

		2009 - 10	2008 - 09
Sale of Goods [inclusive tax]	BK GIULINI SPECIALITIES PVT LTD		
Finance taken [Incl loans & Equity]	AMOL KAPADIA	16.60	
	AJI INVESTMENT PVT LTD	79.00	
	AJK INVESTMENT PVT LTD	13.00	
	NEW COMMERCIAL MILLS	18.00	7.75
	NEW COMMERCIAL INVESTMENT & TRADING CO LTD	3.00	
	LOTUS MILLS LTD		4.00
	ORIENTAL PHARMACEUTICALS INDUSTRIES LTD		30.00
Interest paid	SUSHILA KAPADIA	0.30	0.42
	ORIENTAL PHARMACEUTICALS INDUSTRIES LTD	5.24	3.20
	LOTUS MILLS LTD	0.08	0.24
	NEW COMMERCIAL MILLS	0.76	0.94
	AJI INVESTMENT PVT LTD	1.52	
	AJK INVESTMENT PVT LTD	1.43	
Amount receivable	BK GIULINI SPECIALITIES PVT LTD	193.86	104.50
Lease and other deposits given	AJI INVESTMENT PVT LTD	95.00	80.00
	AJK INVESTMENT PVT LTD	65.00	25.00
	LOTUS MILLS LTD	41.00	41.00
	EUROPA CHEMICALS PVT LTD	375.00	375.00
Lease and other deposits taken	SUSHILA KAPADIA	4.00	10.00
	ORIENTAL PHARMACEUTICALS INDUSTRIES LTD	80.00	12.00
Remuneration to Key Managerial personal	AMOL KAPADIA	30.00	30.00

POLSON LIMITED
BALANCE SHEET ABSTRACT AND
COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details :

Registration No. **2879** State Code **1 1** (Refer Code List)

Balance sheet Date

31	03	2010
-----------	-----------	-------------

II Capital Raised during the year (Amount in Rs.Thousand)

Public issue NIL	Rights issue NIL
Bonus issue NIL	Private Placement NIL

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities 392,054 Sources of Funds Paid-up Capital 6,000 Reserve & Surplus 182,081 Secured Loans 158,139 Unsecured Loans 45,834	Total Assets 392,054 Application of Funds Net Fixed Assets 145,526 Investments 42 Net Current Assets 244,668 Misc. (Deferred Tax Asset) 1,834 Accumulated Losses NIL
--	--

IV Performance of company (Amount in Rs. Thousand)

Turnover 595944	Total Expenditure 534838
Misc.(Other) Income 12047	
Profit / Loss Before Tax 73,153	Profit / Loss After Tax 48,677

(Please tick Appropriate box + for Profit - for Loss)

Earning per share in Rs. 405.64	Dividend @% NIL
---	---------------------------

V Generic Names of Three Principal Products/Services of company (per monetary items)

Item Code no. **3201 Sub-Entry 96.02**
 (ITC Code)

Product Description **TANNIN EXTRACT**
ORGANIC & INORGANIC CHEMICALS

J.J.KAPADIA

Chairman

AMOL J. KAPADIA

Managing Director

SUSHILA J. KAPADIA

Director

Mumbai

Dated : 30th August 2010

POLSON LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

	Rs.	Rs.
Opening Balance of Cash and Banks (i.e. on 1.4.2009)		21,756,843
A. ADJUSTMENTS ON ACCOUNT OF OPERATING ACTIVITIES		
Depreciation	8,804,349	
Depreciation on Revaluation Reserve	469,738	
Trade Debtors (considered good) -- decrease / (increase)	(31,583,149)	
Trade Debtors (considered doubtful)	0	
Sundry Creditors -- (decrease) / increase	73,672,797	
Closing stocks -- decrease / (increase)	(23,063,102)	
Short of Provision for Tax	0	
Net Profit after Tax	48,676,773	76,977,406
B. CASH FLOW FROM INVESTING ACTIVITIES		
Adjustments on account of (Purchase)/Sale of Investments	0	
Sale of Fixed Assets	3,042,537	
Purchase of Fixed Assets	(50,085,866)	
Deferred Tax Asset	(74,492)	
Decrease in Revaluation Reserve Dep. On revaluation reserve	(469,738)	(47,587,559)
C. CASH FLOW FROM FINANCE ACTIVITIES		
Adjustments on account of		
Loan (secured) -- (decrease) / increase	32,823,796	
Loan (unsecured) -- (decrease) / increase	17,885,376	
Loan from Directors - de (decrease) / increase	0	
Loans & Advances (receivables) -- (increase)	(85,718,006)	
Deposits & Advances (payables)	0	(35,008,834)
Closing Balance of Cash & Bank on 31-3-2010		16,137,856
MUMBAI, <i>Sushila J. Kapadia</i>	SUSHILA J. KAPADIA	<i>Amol J. Kapadia</i>
Dated 30th June, 2009	Director	AMOL J. KAPADIA Managing Director
		<i>J. J. Kapadia</i> J. J. KAPADIA Chairman

The Board of Directors,
Polson Limited,
Amba.

We have examined the above Cash Flow Statement of Polson Limited for the year ended 31st March, 2010. The statement has been prepared by the Company in accordance with the listing requirements of the listing agreement with the Stock Exchanges and is based on and derived from the audited accounts of the Company for the year ended March 31, 2010

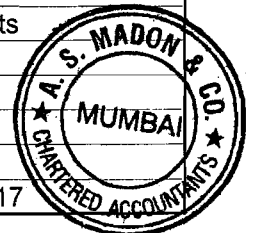
To the Members of the Company.

MUMBAI,
Dated 30th August 2010

For A. S. MADON & CO
Chartered Accountants

Jay M. Shah
JAY M. SHAH
PARTNER

Membership No. 48417



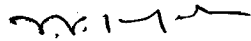
POLSON LIMITED

SCHEDULE 11-A

DETAILED WORKING FOR NET DEFERRED TAX AS ON 31.3.2010

ASST YEAR -- 2010-11

	Rs.
Depreciation as per Income Tax Return	9,807,783
Depreciation as per Profit & Loss Account	10,026,942
Depn excess claimed in Profit & Loss Account	219,159
Income Tax on above @ 30%	65,748
Surcharge on Income Tax 10%	6,575
Ed. Cess 2% + sec ed cess 1%	2,170
Deferred Tax Asset for F.Y 2008-09	74,492
(Total income tax + SC excess provided in P & L Account 08-09)	
Add: Deferred Tax Asset till 2008-09 provided already	<u>1,759,229</u>
TOTAL Deferred Tax Asset as on 31.3.2009	<u>1,833,721</u>



Ashita J. Kapadia
Kapadia

POLSON LIMITED

ANNEXURE-- I

PART A

1 Name of the assessee	POLSON LIMITED
2 Address	c/o J.J.Kapadia & Co, Union Bank Bldg, Dalat St., Mumbai-400023
3 Permanent Account No.	AAACP4597Q
4 Status	Public Limited Company
5 Previous year ended	31st March, 2010
6 Assessment Year	A.Y. 2010 - 11

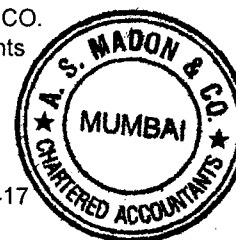
PART B

Nature of Business or profession in respect of : every business or profession carried on during the year Manufacture of Tannin extract from chemical blends & Vegetable items	Code*	0108
---	-------	------

Sl. No Parameters	Current Year	Preceding Year
	A.Y 2009-10	A.Y 2008-09
	Rs.	Rs.
1 Paid-up share capital	6,000,000	6,000,000
2 Share Application Money / Current Account of Partner/Proprietor, if any	0	0
3 Reserves and Surplus /Profit & Loss Account	182,080,717	133,873,682
4 Secured loans	158,139,408	125,315,612
5 Unsecured loans	45,834,376	27,949,000
6 Current Liabilities and provisions	135,550,213	61,877,416
7 Total of Balance Sheet	527,604,714	355,015,710
8 Gross Turnover/gross receipts	596,209,896	428,679,938
9 Gross Profit	141,174,995	111,671,533
10 Commission received	0	0
11 Commission paid	493,313	545,040
12 Interest received	4,739,420	2,470,698
13 Interest paid	16,013,781	15,475,812
14 Depreciation as per books of account	10,026,942	9,894,930
15 Net Profit (or Loss) before tax as per Profit & Loss Account	73,153,449	32,946,585
16 Taxes on income paid/provided for in the books	24,551,168	12,096,520
17 Deferred Tax Asset	74,492	572,601
18 Net Taxes on income paid	24,551,168	12,096,520

FOR A.S.MADON & CO.
Chartered Accountants

Jay M. Shah
JAY M. SHAH
PARTNER
Membership No. 48417



Mumbai
Dated: 30th August 2010

DEPRECIATION AS PER INCOME TAX ACT (WDV METHOD)

A. Y. 2010-11

F. Y. 2009 - 10

ANNEXURE:- III

Sr. No.	Description of Assets	Rate	Opening WDV as on 01.04.09	Purchases before 30.09.09	Purchases after 30.09.09	Sale during the year 2009-10	Gross Block as on 31.03.10	Depreciation for the year 2009-10	Net Block as on 31.03.10
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Plant & Machinery	15	12,046,082	370601	2051078		14,467,761	2,016,333	12,451,427
2	Motor Car	15	2,574,706	4267426	1,238,176	3,042,537	5,037,771	662,802	4,374,969
3	Tractor	15	84,311	0	0	0	84,311	12,647	71,664
4	Building - Factory	5	37,605,213	1200000	1574719		39,584,419	1,979,629	37,604,791
5	Building - Others	10	28,159,306	10964613	6087986		45,211,905	4,216,791	40,995,114
6	Furniture & Fixtures	10	6,096,816	0	1144797		7,241,613	666,921	6,574,692
7	Computer & Peripherals	60	183,574	63877.54	337648.04		585,100	249,765	335,334
	sub-total		86,750,008	16,866,517	12,434,404	3,042,537	112,212,880	9,804,889	102,407,991
8	Furniture & Fixtures	10	28,941	0	0	0	28,941	2,894	26,047
	(Rev exp treated as Cap exp by I.Tax Dept)								
	TOTAL		86,778,949	16,866,517	12,434,404	3,042,537	112,241,820	9,807,783	102,434,037
	Garment Division								
1	Furniture	-	15,387				15,387		15,387
2	Electrical Fittings	-	215				215		215
3	Bicycles	-	3				3		3
			86,794,554	16,866,517	12,434,404	3,042,537	112,257,425	9,807,783	102,449,642

As per our report of even date

FOR A.S.MADON & CO.
Chartered Accountants

J. Shah
JAY M. SHAH
PARTNER

Membership no. 48417
Mumbai

Dated: 30th August 2010

Membership no. 48417

Mumbai

Dated: 30th August 2010



Depreciation as per Income Tax Return	9,807,783
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Depn excess claimed in Profit & Loss Account	219,159
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Surcharge on Income Tax 10%	6,575
Ed. Cess 2%+sec edu cess 1% total 3%	2,170
Deferred Tax Asset for F.Y 2008- 09	74,492
(Total income tax + SC excess provided in P & L Account)	
Add: Deferred Tax Asset 2008- 09 provided alrea	1,759,229
TOTAL Deferred Tax Asset as on 31.3.2009	1,833,721

POLSON LIMITED

ANNEXURE IV

PARTICULARS OF LOAN ACCEPTED/REPAID DURING THE YEAR ENDED 31ST MARCH, 2010

Item No. 24(a) and 24(b) of Form No. 3CD

Asst. Year 2010 - 11

SR.NO.	NAME & ADDRESS	PAN No.	LOAN TAKEN	LOAN PAID	MAXIMUM AMOUNT OUTSTANDING	Whether the loan was squared off during the	WHETHER REPAYMENT MADE OTHERWISE THAN BY A/C PAYEE CHEQUE / DRAFT
			Rs.	Rs.	Rs.		
1	AJI Investment Pvt Ltd	AABCA0816C	9,000,000	1,100,000	9,000,000	NO	No.
2	New Commercial Mills Co Ltd --	AABCT4256F	1,800,000	-	1,800,000	NO	No.
3	New Commercial Investment Trading	AABCN6915D	300,000	-	300,000	NO	No.

FOR A.S.MADON & CO.
Chartered Accountants

JAY M. SHAH
PARTNER
Membership No. 48417

Mumbai
Dated : 30th August,2010