SOMA TEXTILES & INDUSTRIES LTD.

A GOVT. RECOGNISED EXPORT HOUSE

REGD. OFFICE : 2, RED CROSS PLACE, KOLKATA- 700 001, INDIA
TEL : (033) 2248-7406/07, FAX : (033) 2248-7045
E-mail : rssharma@somatextiles.com

EXTRACT OF THE RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS OF THE COMPANY AS PER CIRCULAR EFFECTED ON THURSDAY, THE 11TH APRIL, 2013

1. **CONSIDERATION AND APPROVAL TO THE FINAL DRAFT of NOTICE OF POSTAL BALLOT FOR SEEKING SHAREHOLDERS' APPROVAL TO SELL, LEASE, DISPOSE, HIVE OFF AND/OR TRANSFER BARAMATI UNIT/UNDERTAKING OF THE COMPANY UNDER SECTION 293(1)(A) & OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 1956 BY POSTAL BALLOT PROCESS**

   It is hereby informed that the Board of Directors of the Company have, at its meeting held on 25th October, 2012, considered and decided, in principle, to dispose of the Bramati unit of the Company either on Slump Sale Basis and/or by way of any suitable mode(s) at a consideration and on the suitable terms & conditions as may be considered more advantageous in interest of the Company subject to necessary approvals, permissions and sanctions as may be applicable and/or required including shareholders' approval u/s 293(1)(a) of the Companies Act, 1956, for seeking consent to the said disposal or sale and/or transfer of the said unit by Postal Ballot and also for the purpose Directors/Senior Executives have been authorized to negotiate and finalise the deal with the prospective buyers.

   The Company has accordingly, signed the Business Transfer Agreement (BTA) on 01.04.2013, with Messrs GTN Engineering (India) Limited, a Public Limited Company in private sector, having its registered office at plot No. 29, Nagarjuna Hills, Hyderabad, Andhra Pradesh, for sale of the Baramati undertaking of the Company, at Baramati, Dist. Pune, in the state of Maharashtra, on Slump Sale Basis at a total Lump-Sum consideration of Rs. 29.80 Crore.

   Further pursuant to the provisions of Section 192A of the Companies Act, 1956, read with Companies (passing of the Resolution by Postal Ballot) Rules 2011, Postal Ballot Notice is required to be issued and sent, to the Shareholders of the Company for seeking their consent pursuant to provisions of Section 293(1)(a) and other applicable provisions of any of the Companies Act, 1956, to sell, dispose, hive off and/or other dispose of the Baramati unit, one of the Undertaking of the Company for approval. Accordingly a copy of final draft of the Notice of Postal Ballot is sent for your consideration and thereby the following resolution is recommended to be passed:-

Contd.pg.no.2....

SOMA TEXTILES & INDUSTRIES LTD.
A GOVT. RECOGNISED EXPORT HOUSE
REGD. OFFICE : 2, RED CROSS PLACE, KOLKATA- 700 001, INDIA
TEL : (033) 2248-7406/07, FAX : (033) 2248-7045
E-mail : rssharma@somatextiles.com

"RESOLVED THAT the final draft of Notice of Postal Ballot, to be issued to the Members of the Company, containing an Ordinary Resolution and the Explanatory Statement under Section 173(2) of the Companies Act, 1956 along with Postal Ballot Form and Calendar of Events (Tentative) for such Postal Ballot Process (Copies Attached) be and are considered and approved and that Shri R. S. Sharma, Company Secretary, be requested to issue and send the said notice, containing an Ordinary Resolution under the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 and the explanatory statement along with Postal Ballot Form, as per the draft herein approved, to the Members of the Company for obtaining their approval by Postal Ballot and to all other entitled to, as per the provisions of the Companies Act, 1956."

2. **APPOINTMENT OF AND AUTHORITY TO THE SENIOR PERSONNEL TO HANDLE THE ENTIRE POSTAL BALLOT PROCESS**

It is hereby informed that pursuant to the provisions of Section 192A read with Rules thereunder, some Directors and/or Senior Personnel, are required to be appointed to handle the entire ballot process in regard to seeking Members approval/consent by Postal Ballot under Section 293(1)(a) and other relevant provisions of the Companies Act, 1956, in regard to sale, hive off or otherwise dispose of Baramati unit of the Company and therefore following resolution is recommended to be passed:-

"RESOLVED THAT Shri R.S. Sharma, Company Secretary and Shri Shrikant Bhat, the Executive Director of the Company be and are hereby made responsible for the entire postal Ballot process in regard to the Ordinary Resolution proposed to be passed by the Board of Directors of the Company by Postal Ballot, seeking consent/approval of Members of the Company to Sell, Lease or otherwise dispose of the Whole or Substantially Whole of the Undertaking or where the Company owns more than one undertaking,, of the Whole or Substantially, the whole of any such undertaking, under the provisions of Section 293(1)(a) and other applicable provisions of the Companies Act, 1956, as required as per Section 192A of thee Companies Act, 1956, read with the Rules made thereunder."

"RESOLVED FURTHER THAT the certified true copy(ies) of the above resolution duly signed by any one Director and/or Company Secretary of the Company be submitted to the concerned Authority(ies) as and when required and they be requested to act upon the same.

Contd.pg.no.3....

SOMA TEXTILES & INDUSTRIES LTD.

A GOVT. RECOGNISED EXPORT HOUSE

REGD. OFFICE : 2, RED CROSS PLACE, KOLKATA- 700 001, INDIA
TEL : (033) 2248-7406/07, FAX : (033) 2248-7045
E-mail : rssharma@somatextiles.com

3. APPOINTMENT OF SCRUITNIZER FOR CONDUCTING THE POSTAL BALLOT PROCESS

It is hereby informed that a Scrutinizer would be required to be appointed pursuant to the provisions of Section 192A of the Companies Act, 1956, read with the Rules made thereunder, for conducting the proposed Ballot process for seeking Members approval/consent under Section 293(1)(a) of the Companies Act, 1956, to sale, dispose, hive off and/or otherwise dispose of Baramati unit of the Company, as approved by the Board and thus the following Resolution is hereby recommend to be passed:-

"RESOLVED THAT Shri Pravin Kumar Drolia, F.C.S., Practicing Company Secretary of Kolkata, who has consent to act as the Scrutinizer for conducting the Postal Ballot Process, be and is hereby appointed as Scrutinizer for conducting the Postal Ballot Process and to submit the Report to Shri S.K. Somany, Chairman or in his absence to Executive Director or Company Secretary of the Company after completion of Scrutiny of the Postal Ballot forms received by him within the specified date and time fixed by the Board."

"RESOLVED FURTHER THAT the certified true copy(ies) of the foregoing resolution certified to be true by any Director and/or Company Secretary of the Company be submitted to the concerned Authority(ies) as and when required and they be requested to act upon the same."

4. AUTHORITY FOR ANNOUNCEMENT OF POSTAL BALLOT RESULTS

It is hereby also informed that Chairman or any other Director or any Senior Executives of the Company are required to be authorized by the Company to announce the Results of the Postal Ballot proposed to be conducted by the Company and hence the following Resolution is recommended to be passed:-

"RESOLVED THAT the result of the Postal Ballot will be declared by the Chairman of the Company or in his absence by the Executive Director or Company Secretary of the Company at the Register Office of the Company at 2, Red Cross Place, Kolkata – 700 001 on the specified date and time."

"RESOLVED FURTHER THAT the certified true copy(ies) of the foregoing resolution certified to be true by any Director and/or Company Secretary of the Company be submitted to the concerned Authority(ies) as and when required and they be requested to act upon the same."

Certified to be true copy
For Soma Textiles & Industries Ltd.

(R. S. Sharma)
Company Secretary