



# SARLA GEMS LTD

**TWENTIETH  
ANNUAL REPORT  
AND ACCOUNTS  
2008 - 2009**

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**Board Of Directors**

Mr. Bhanwar Lal Bohara  
Mr. Kashinath Agarwal  
Mr. Mohan Kumar Tiwari

**Auditors**

M/s Maloo & Co.  
Chartered Accountants  
3, Mango Lane, 2<sup>nd</sup> Floor,  
Kolkata - 700 001

**Company Secretary**

A. B. Chakrabartty

**Bankers**

Dena Bank

**Registered Office**

3, Saheed Nityananda Saha Sarani,  
Kolkata - 700 001.  
Tel: 91 - 33 - 6522 1673 / 2221 5440  
Fax: 91 - 33 - 2455 3193

**Registrar & Share Transfer Agent**

S.K.Computers  
(Unit -Sarla Gems Ltd),  
34/1A, Sudhir Chatterjee Street  
Kolkata - 700 006  
Tel: 91 - 33- 2219- 4815 / 6797

# SARLA GEMS LIMITED

## NOTICE

Notice is hereby given that the 20<sup>th</sup> (Twentieth) Annual General Meeting of the Members of SARLA GEMS LIMITED will be held on Tuesday, the 15<sup>th</sup> day of September, 2009 at 10.30 A.M., at the Registered office of the Company at 3, Saheed Nityananda Saha Sarani, Kolkata - 700 001, to transact the following Business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2009 and the Profit & Loss Account for the year ended on that date together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Shri Mohan Kumar Tiwari, who retires by rotation and being eligible offers himself for re-appointment.
3. To Appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorize the Board to fix their Remuneration.

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. J. Tiwari, an Additional Director of the Company who holds office upto the date of this Annual General Meeting pursuant to the provisions of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

#### **5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 21 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government (Registrar of Companies) consent of the members be and is hereby accorded to change the name of the company from **"SARLA GEMS LIMITED"** to **"KALPENA PLASTIKS LIMITED"**.

**"RESOLVED FURTHER THAT** the name **"SARLA GEMS LIMITED"** wherever it occurs in the Memorandum and Articles of Association of the Company be substituted by the new name **"KALPENA PLASTIKS LIMITED"** in due course."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to make necessary corrections in all documents wherever it is required to reflect the new name of the company as and when it becomes effective."

#### **6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.**

**"Resolved that** pursuant to Section 31 of the Companies Act, 1956 and provisions of all other applicable laws & regulations, if any, the entire Articles of Association of the Company be altered with a new set of Articles of Association duly numbered and reads as follows":

## SARLA GEMS LIMITED

### UNDER THE COMPANIES ACT, 1956 COMPANY LIMITED BY SHARES

#### Articles of Association OF SARLA GEMS LIMITED

1. Save as reproduced herein the regulation contained in Table "A" in Schedule I to the Act Shall not apply to the Company.

#### INTERPRETATION

2. (1) In the interpretation of these Articles, unless repugnant to the subject or context:

"The Company" or "This Company" means "SARLA GEMS LIMITED".

"The Act" means "The Companies Act 1956" or any statutory modification or re-enactment therefore for the time being in force.

"Annual General Meeting" means a general meeting of the Members held in accordance with the provisions of Section 166 of the Act or any adjourned meeting thereof.

"Auditors" means and include those persons appointed as such for the time being by the Company or its Bo

"Board" or "Board of Directors" or "the Board" means the Board of 'Board of Directors for the time being of the Company'.

"Board Meeting" means a meeting of the Directors or a Committee thereof duly called and constituted, or as the case may be, the Directors assembled at the Meeting of the Board of Directors of the Company collectively.

"Capital" means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.

"Debenture" includes debenture-stock.

"Dividend" includes interim dividend.

"Extraordinary General Meeting", means an extraordinary general of the Members duly called and constituted and any adjourned meeting thereof.

"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of Association of the Company

"Meeting" or "General Meeting" means a meeting of members.

"Month" means a calendar month.

"Office" means the registered office for the time being of the Company.

A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands, or on a poll as the case may be) in favour of the resolution (including the casting vote, if any, of the chairman) by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting.

"Paid-up" includes credited as paid-up.

"Persons" includes corporations and firms as well as individuals.

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"Postal Ballot" shall mean voting by post through ballot papers distributed amongst eligible voters and shall include voting by electronic mode.

"Register of Members" means the Register of Members to be kept pursuant to the Act.

"Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.

"Secretary" means any individual possessing the qualification prescribed for the time being by or under the Act or any rules made there under and appointed to perform the duties, which may be performed by Secretary under the Act, and any other ministerial or administrative duties.

"Seal" means the Common Seal for the time being of the Company.

"Share" means share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.

"Small Shareholder" means a shareholder holding shares of the nominal value of twenty thousand rupees or less.

A resolution shall be a special resolution when

- (a) the intention to propose the resolution as a special resolution has been duly specified in the notice convening the general meeting or other intimation given to the members of the resolution.
- (b) the notice required under the Act has been duly given of the general meeting; and
- (c) the votes cast in favour of the resolution whether on a show of hands, or on a poll as the case may be by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, are not less than three times the number of the votes, if any, cast against the resolution by members so entitled.

"Written" and "In Writing" include printing, lithography, computer modes and other modes of representing or reproducing words in a visible form

"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.

Words importing the singular number include, where the context admits or requires the plural number and vice versa.

Words importing the masculine gender also include the feminine gender.

- (2) The marginal notes used in these Articles shall not affect the construction or meaning of the subject.
- (3) Save as aforesaid, words or expressions, defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

## CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. The Authorized Share Capital of the company shall be the capital as specified in Clause V of the Memorandum of Association, with power to increase and reduce the Share Capital of the company and to divide the shares in the Capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for time being be provided in the Articles of Association.

4. The Company in General Meeting may, 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 such shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends, or otherwise and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Section 87 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 97 of the Act.
5. Except in so far as otherwise provided in the conditions of issue of shares 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 provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares, which at or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
7. 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 of the 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) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the 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 Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.
8. The Company may (subject to the Provisions of Section 78, 80, 100 to capital 105 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share Premium Account 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 upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
9. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may from time to time sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company in General Meeting may 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.

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10. Whenever the Capital 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 Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths of nominal value of the issued shares of the class or is confirmed by a Resolution passed at a separate General Meeting of the holders of shares of that class and supported by the votes of the holders of at least three-fourths of those shares, and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such Meeting, but so that the quorum thereof shall be members present in person or by proxy and holding three fourths of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if it were omitted.

### SHARES AND CERTIFICATES

11. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country.
12. The shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner herein before mentioned, no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
13. Where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, either out of the un-issued capital or out of the increased share capital then
- (a) such further shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as near as circumstances admit, to the capital paid-up on those shares at the date.
  - (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer and the offer, if not accepted, will be deemed to have been declined.
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED that the Directors may decline without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
  - (d) After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they may think, in their sole discretion, deem fit.
1. Notwithstanding anything contained in the sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub clause (1) hereof) in any manner whatsoever.
- (I) if a special resolution to that effect is passed by the company in general meeting; or



- (ii) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution, moved in the general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes if any, cast against the proposal by members so entitled to voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.
- 2. Nothing in sub-clause (c) of (1) hereof shall be deemed;
  - (a) To extend the time within which the offer should be accepted; or
  - (b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- 3. Nothing in this article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loan raised by the company:
  - (i) To convert such debentures or loans into shares in the company; or
  - (ii) To subscribe for shares in the company (whether such option is conferred in these articles or otherwise)

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by that government in this behalf; and
  - (b) in the case of debentures or loans or other than debentures issued to or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in general meeting before the issue of the debentures or raising of the loans.
14. Subject to the provisions of section 81 of the act and these Articles, the shares in the capital of the company for the time being shall be under the Directors controls of the directors who may issue, allot or otherwise dispose of the same or any of them such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 79 of the act) at discount and at such time as they may from time to time think fit and with the sanction of the company in the general meeting to give to any persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may, be issued as fully paid up shares and N so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any persons without the sanction of the company in the general meeting.
15. In addition to, and without derogating from the powers for the purpose conferred on the Board under Articles 13 and 14, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or not)

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in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at a discount as such General Meeting shall determine and with full power to give any person (whether a member 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 78 and 79 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 member or not) the option being exercisable at such times and for such consideration as may be directed by such General Meeting of the Company and the General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.

16. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts shares and whose name is on the Register shall for the purpose of these Articles, be a member.
17. The money (if any) which the Board shall, on the allotment of any share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion 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.
18. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share 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 shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.
19. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the directors may from time to time determine) to several certificates each for one or more of such shares and the company shall complete and have ready for delivery of such certificates within 3 month from the date of allotment, unless the conditions of issue thereof otherwise provide or within 1 month of the receipt of application of registration of transfer, transmission, subdivision or consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to issue more than one certificates and delivery of a certificate of shares to one of several joint holder shall be sufficient delivery to all such holders.
20. If any certificate be worn out, defaced, mutilated or torn or if there be no production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the article shall be issued without payment of fees if the directors so decide, or on payment of such fees (not exceeding Rs. 2 for each certificates) as the directors shall prescribe, provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced, worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the directors shall comply with such rules or regulations or requirement of any stock exchange or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or the rules applicable in this behalf.