



SUPREME PETROCHEM LIMITED

CIN: L23200MH1989PLC054633

Registered Office: Solitaire Corporate Park, Building No.11, 5th Floor, 167, Guru Hargovindji Marg, Chakala, Andheri East, Mumbai - 400 093, Maharashtra, India

Tel. No.: 022-67091900/66935927; **Fax No.:** 022-40055681

E-mail: investorhelpline@spl.co.in **Website:** www.supremepetrochem.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013, Rule 22 of the Companies (Management and Administration) Rules, 2014 and MCA Circulars)

Dear Member(s),

NOTICE is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“**Rules**”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and General Circular No. 10/2021 dated June 23, 2021 (the “**MCA Circulars**”), including any statutory modifications, amendments or re-enactment(s) thereof for the time being in force, that the Resolution appended below is proposed to be passed as a Special Resolution by the Members of Supreme Petrochem Limited (the “**Company**”) by means of postal ballot (“**Postal Ballot**”) only through electronic means (“**remote e-voting**”).

For avoidance of any doubt due to the general understanding of meaning of ‘Postal Ballot’ as voting by post (which is not contemplated in this Notice), the term ‘remote e-voting’ is consciously used in this Notice (instead of using the term ‘Postal Ballot’) which appropriately clarifies that the manner of voting on the resolution is restricted to voting only through remote e-voting. In compliance with the requirements of the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice and login ID and password for remote e-voting. A hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the Members for the present Postal Ballot and Members are required to communicate their Assent or Dissent through the remote e-voting system only. The instructions for remote e-voting are appended to this Notice.

An Explanatory Statement pursuant to the provision of Section 102 of the Act and other applicable provisions of the Act, read with the respective Rules and the MCA Circulars, is annexed hereto for your consideration. The Postal Ballot Notice is also available on the website of the Company at www.supremepetrochem.com.

Pursuant to Rule 22(5) of the Rules, our Company has appointed Shri P. N. Parikh (Membership No. FCS 327, CP 1228) or failing him Shri Mitesh Dhabliwala (FCS 8331 CP 9511) or failing him Ms. Jigyasa Ved (FCS No. 6488, CP 6018) of Parikh & Associates, Practicing Company Secretaries, as the scrutinizer to conduct the Postal Ballot e-voting process in a fair and transparent manner.

The Company has engaged the services of KFin Technologies Private Limited (“**KFin**”) for the purpose of providing remote e-voting facility to all its Members. Remote e-voting shall commence from **Wednesday, July 14, 2021 at 9.00 A.M. (IST)** and shall end on **Thursday, August 12, 2021 at 5.00 P.M. (IST)**.

The Special Resolution, if approved, shall be deemed to have been passed on the last date of remote e-voting, i.e. August 12, 2021.

Since as per aforesaid MCA Circulars members can vote through remote e-voting process, members are requested to read the e-voting and other instructions as set out in this notice.

SPECIAL BUSINESS

ITEM NO. 1: TO APPROVE REDUCTION OF SHARE CAPITAL OF THE COMPANY

To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 66 and other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) read with the provisions of the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 and other applicable rules issued under the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“Listing Regulations”**) read with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 (**“SEBI Circulars”**) and other applicable regulations, circulars and guidelines issued by the Securities and Exchange Board of India (**“SEBI”**), the Reserve Bank of India (**“RBI”**), BSE Limited (**“BSE”**), National Stock Exchange of India Limited (**“NSE”**) (BSE and NSE together are referred to as **“Stock Exchanges”**) and other authorities as may be and to the extent applicable, Article 57 of the Articles of Association of the Company and subject to confirmation by Hon'ble National Company Law Tribunal, Mumbai Bench (**“NCLT”**) and further subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or directed by Hon'ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, the consent of members of the Company be and is hereby accorded to the reduction of issued, subscribed and paid-up equity share capital of the Company from the existing Rs. 94,02,06,710/- (Rupees Ninety Four Crore Two Lakhs Six Thousand Seven Hundred Ten Only) divided into 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares with face value of Rs. 10/- (Rupees Ten Only) per equity share to Rs. 37,60,82,684/- (Rupees Thirty Seven Crores Sixty Lakhs Eighty Two Thousand Six Hundred Eighty Four Only) divided into 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares with face value of Rs. 4/- (Rupees Four Only) by returning to all the equity shareholders as on the record date an amount of Rs. 6/- (Rupees Six Only) per equity share out of face value of Rs. 10/- (Rupees Ten Only) per equity share held by them and reducing the face value of equity shares of the Company from the existing Rs. 10/- (Rupees Ten Only) per equity share to Rs. 4/- (Rupees Four Only) per equity share on terms and conditions as contained in the draft scheme of reduction of share capital, which be and is hereby approved (**“Scheme of Reduction of Share Capital”/ “Scheme”**).

RESOLVED FURTHER THAT pursuant to reduction of share capital as above, the face value of equity shares of the Company shall stand reduced to Rs. 4/- (Rupees Four Only) per equity share and consequently, the authorized share capital of the Company shall stand reorganized from Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 12,50,00,000 equity shares of Rs. 10/- each and 2,50,00,000 redeemable cumulative preference shares of Rs. 10/- each to Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 31,25,00,000 equity shares of Rs. 4/- each and 2,50,00,000 redeemable cumulative preference shares of Rs. 10/- each and on confirmation of the Scheme by Hon'ble NCLT, Clause V in the Memorandum of Association of the Company shall stand altered, modified and amended as follows:

- V. *The Authorized Share Capital of the Company is Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 31,25,00,000 equity shares of Rs. 4/- each (Rupees Four Only) and 2,50,00,000 redeemable cumulative preference shares of Rs. 10/- (Rupees Ten Only) with rights, privileges and conditions attached thereto as may be provided by the regulations of the Company for the time being in force with power to increase or reduce the Capital and to divide the Shares in the Capital for the time being into several classes (being those specified in the Companies Act, 2013) and to attach thereto respectively such preferential, qualified, deferred or special rights, privileges or conditions as may be determined in accordance with the regulations of the Company, and to modify or abrogate any such rights, privileges or conditions in such manner as may be lawfully permitted by the said Act or provided by the Articles of Association of the Company for the time being in force.*

RESOLVED FURTHER THAT in accordance with the Scheme and subject to approval of Hon'ble NCLT, Company shall not be required to add the words "And Reduced" as a suffix to its name.

RESOLVED FURTHER THAT Upon the Scheme becoming effective, the existing share certificates in relation to the existing equity shares of the nominal value of Rs. 10/- (Rupees Ten Only) each held in the physical form shall be deemed to have been automatically cancelled and cease to be negotiable and be of no commercial or legal value, on and from the Record Date and the Company may, without requiring the surrender of the existing share certificate/s, directly issue and dispatch the new share certificate(s) with the nominal value of Rs. 4/- (Rupees Four Only) of the Company, in lieu thereof, and in the case of members who hold the equity shares in dematerialized form, the Company shall take necessary steps to reflect alterations in records of the Depositories and beneficial positions of the shareholders.

RESOLVED FURTHER THAT the Board of Directors of the Company (including duly constituted committee thereof or duly authorized officer(s) of the Company to whom power or authority are delegated or as may be delegated by the Board) be and is hereby authorized to do all such acts, deeds and things as may be necessary, required, warranted and expedient to give effect to this resolution and the Scheme including authority to agree to any modifications or conditions therein that may be suggested, imposed or stipulated by Hon'ble NCLT or any other statutory / government authority or effect such modifications as may be considered in the best interest of the Company and its Members and to give such directions or instructions as they, from time to time, may think fit or proper (including directions for settling any question, doubt or difficulty which may arise in this regard) and to do all such acts, deeds, matters and things as the Board, in its absolute discretion, may consider necessary, expedient, usual or proper for giving effect to this resolution and the Scheme without requiring to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution”.

By Order of the Board of Directors,

FOR, SUPREME PETROCHEM LIMITED

D. N. MISHRA
COMPANY SECRETARY

Place: Mumbai
Date: July 5, 2021

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“**Act**”) read together with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended, setting out the material facts for the proposed Resolution is annexed hereto.
2. In accordance with the provisions of the Act, read with Rules made thereunder and General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and General Circular No. 10/2021 dated June 23, 2021 (the “**MCA Circulars**”), the Postal Ballot Notice is being published/displayed/sent for all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited (“**NSDL**”) / Central Depository Services (India) Limited (“**CDSL**”) as on **Friday, July 09, 2021** (“**Cut-off Date**”) and also who have registered their e-mail IDs with the Company/Depositories. A person who is not a member as on July 09, 2021, should treat this Postal Ballot Notice for information purposes only. A copy of this Postal Ballot Notice will also be available on the website of the Company at www.supremepetrochem.com, the relevant section of the website of the Stock Exchanges viz. BSE and NSE whenever uploaded by them and on the website of KFin Technologies Private Limited (“**KFin**”) at www.kfintech.com.
3. The Postal Ballot Notice is being sent only through electronic mode to all the Members of the Company, whose names appear in the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (“**NSDL**”) / Central Depository Services (India) Limited (“**CDSL**”) as on July 09, 2021 (“**Cut-off Date**”) and the voting rights shall also be reckoned on the paid-up value of shares registered in the name of the Member(s) as on the said Cut-off Date.

4. Only a Member holding equity shares as on the Cut-off Date is entitled to exercise his/her vote through remote e-voting.
5. In terms of Sections 108, 110 and other applicable provisions of the Act, as amended, read together with the Rules, the MCA Circulars and in compliance with Regulation 44 of the Listing Regulations, the Company is pleased to offer remote e-voting facility to all the Members of the Company. The Company has appointed KFin for facilitating remote e-voting mechanism to enable the Members to cast their votes electronically.
6. The hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the Members for the Postal Ballot activity in accordance with the MCA Circulars. **Accordingly, the communication of the assent or dissent of the Members would take place through the remote e-voting system only.**
7. **PROCEDURE FOR OBTAINING THE POSTAL BALLOT NOTICE AND E-VOTING INSTRUCTIONS BY THE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES IN CASE OF DEMATTED SHARE FOLIOS OR WITH REGISTRAR AND TRANSFER AGENT IN CASE OF PHYSICAL SHARE FOLIOS:**
 - (a) In terms of the MCA and SEBI Circulars, the Company has sent the Postal Ballot Notice and e-voting instructions only in electronic form to the registered e-mail addresses of the shareholders. Therefore, those shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses registered by following the procedure given below:
 - (i) **For Electronic folios:**
 - Visit the link <https://ris.kfintech.com/clientservices/postalballot/>
 - Select the Company name i.e. Supreme Petrochem Limited
 - Shareholder to enter DP ID-Client ID / Folio No. and PAN No.
 - Shareholder to enter the email id and Mobile No.
 - System check the authenticity of the DP ID-Client ID and PAN and send the different OTPs to Mobile and Email to Validate.
 - Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 minutes only).
 - System confirms the email id for the limited purpose of serviced postal ballot notice.
 - System will send the notice & procedure for e-voting to the email given by shareholder
 - (ii) **For Physical folios:**
 - Visit the link <https://ris.kfintech.com/clientservices/postalballot/>
 - Select the company name i.e. Supreme Petrochem Limited
 - Shareholder to enter physical Folio No. and PAN No.
 - If PAN No. is not available in the records, shareholder to enter one of the Share Certificate No.
 - Shareholder to enter the email id and Mobile No.
 - System check the authenticity of the Folio No. and PAN//Share Certificate No. and send the different OTPs to Mobile and Email to Validate.
 - Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 mm. only).
 - If PAN is not available, system will prompt to upload the duly signed scan copy of the PAN.
 - System confirms the registration of email id,
 - System will send the notice & procedure for e-voting to the email given by the Shareholder.
 - (b) In case of any queries, Members may write to einward.ris@kfintech.com.
 - (c) The shareholders are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants and in respect of physical holdings, with the Company's Registrar and Share Transfer Agent of the Company viz. KFin Technologies Private Limited, Selenium Building, Tower B, Plot 31 & 32, Financial District, Nanakramguda,

Serilingampally, Hyderabad - 500 032 by following due procedure as stated hereinbefore under para no. 7.

- (d) Those shareholders who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants / the Company's Registrar and Share Transfer Agent to enable servicing of notices / documents / Annual Reports etc. electronically to their email address.
 - (e) Members are requested to visit the website of the Company at www.supremepetrochem.com or the website of the Registrar and Transfer Agent www.kfintech.com for downloading the Postal Ballot Notice, if required.
 - (f) Alternatively Member may send an e-mail request at einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy, DP ID/Client ID details in case of electronic folio and copy of share certificate in case of physical folio for sending the Postal Ballot Notice and the e-voting instructions.
8. The Company has engaged the services of KFin for the purpose of providing remote e-voting facility to all its Members.
9. The remote e-voting period commences on **Wednesday, July 14 2021, at 9:00 A.M. (IST)** and ends on **Thursday, August 12, 2021 at 5:00 P.M. (IST)**. The remote e-voting shall not be allowed beyond the said date and time. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the Cut-off Date, being Friday, July 09, 2021, may cast their votes by electronic means in the manner and process as set out in the Postal Ballot Notice mentioned hereinbelow. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
10. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company, as on the cut-off date viz. Friday, July 09, 2021.
11. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

THE E-VOTING process/instruction is divided into two parts viz E-voting in case of

- (i) Physical Shareholders & Non-Individual Shareholders (Physical / Demat)**
- (ii) Individual Shareholders having shares in electronic / demat mode**

and are stated as hereunder:

INSTRUCTION FOR REMOTE E-VOTING

(i) In case of Physical Shareholders & Non-Individual Shareholders (Physical / Demat):

- a. Initial password is provided in the body of the e-mail.
- b. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- c. Enter the log in credentials i.e. User ID and password mentioned in your e-mail. Your Folio No. / DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
- d. After entering the details appropriately, click on LOGIN.
- e. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly

recommended not to share your password with any other person and take utmost care to keep your password confidential.

- f. You need to login again with the new credentials.
- g. On successful login, the system will prompt you to select the EVENT. Select Supreme Petrochem Limited.
- h. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting / dissenting to the resolution, enter all shares and click 'FOR' / 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and / or 'AGAINST' taken together should not exceed your total shareholding as on the aforesaid cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- i. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
- j. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can log in multiple times till you are confirmed that you have voted on the resolution.
- k. In case of any queries / grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin Technologies Pvt. Ltd. on 1800 309 4001 (toll free).
- l. Any person who happen to be a Member of the Company as on the cut-off date viz. Friday, July 09, 2021 and do not have user ID/Password, such member(s) may obtain the USER ID and Password for e-voting in the following manner or may write an email on einward.ris@kfintech.com for obtaining support in this regard.
 - a. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS : MYEPWD <space> E-Voting Event number+ Folio No. (in case of physical shareholders) or DP ID Client ID (in case of Dematted shareholders) to 9212993399.

Example for NSDL	MYEPWD <SPACE> IN12345612345678
Example for CDSL	MYEPWD <SPACE> 1402345612345678
Example for Physical	MYEPWD <SPACE> XXX1234567890

- b. If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call KFin toll free number 1-800-3094-001 for all e-voting related matters.
- d. Member may send an e-mail request to einward.ris@kfintech.com for support related to e-voting matter.

(ii) In case of Individual Shareholders having shares in electronic / demat mode:

Such shareholder(s) may refer the e-voting process mandated for them vide SEBI circular dated 9th December, 2020 and should follow following process for remote e-voting:

Login method for e-Voting:

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The remote e-voting process of

the Depositories viz NSDL and CDSL are different which are stated below to facilitate the members for e-voting depending on the depository with whom they are concerned with related to their shareholding.

NSDL	CDSL
<p>1. User already registered for IDeAS facility: **</p> <p>I. URL: https://eservices.nsdl.com</p> <p>II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section.</p> <p>III. On the new page, enter existing User ID and Password. Post successful authentication, click on “Access to e-Voting”</p> <p>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p> <p>2. User not registered for IDeAS e-Services</p> <p>I. To register click on link : https://eservices.nsdl.com (Select “Register Online for IDeAS”)</p> <p style="text-align: center;">or</p> <p>https://eservices.nsdl.com/SecureWeb/IdeasDirect Reg.jsp</p> <p>II. Proceed with completing the required fields.</p> <p>** (Post registration is completed, follow the process as stated in point no. 1 above)</p>	<p>1. Existing user who have opted for Easi / Easiest **</p> <p>I. URL: https://web.cdslindia.com/myeasi/home/login</p> <p style="text-align: center;">or</p> <p>URL: www.cdslindia.com</p> <p>II. Click on New System Myeasi</p> <p>III. Login with user id and password.</p> <p>IV. Option will be made available to reach e-Voting page without any further authentication.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p> <p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at : https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>II. Proceed with completing the required fields.</p> <p>** (Post registration is completed, follow the process as stated in point no. 1 above)</p>
<p>3. First time users can visit the e-Voting website directly and follow the process below:</p> <p>I. URL: https://www.evoting.nsdl.com/</p> <p>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>	<p>3. First time users can visit the e-Voting website directly and follow the process below:</p> <p>I. URL: www.cdslindia.com</p> <p>II. Provide demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress.</p> <p>V. Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Individual Shareholders (holding securities in demat/electronic mode) can also login through their Depository Participants (DPs) as per following process.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL / CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note:

Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542-43.

VOTING RESULTS:

- i. The Scrutiniser shall, immediately after the conclusion of voting, count the votes cast during Postal Ballot through remote e-voting and make a Scrutiniser's report of the total votes cast in favour or against, if any, and submit the report to the Chairperson of the Company or any person authorized in that respect within 2 working days of the conclusion of the voting period (viz. on or before August 14, 2021), who shall countersign the same and thereafter results of the voting will be declared. The results declared along with the scrutiniser's report shall be placed on the Company's website at www.supremepetrochem.com and on the website of R&T Agent KFin viz. <https://evoting.kfintech.com> and shall also be communicated to the stock exchanges viz BSE Limited & National Stock Exchange of India Ltd. where the shares of the Company are listed. The resolutions shall be deemed to have been passed on August 12, 2021 (being the last date of e-voting period of postal ballot) subject to obtaining requisite votes thereto.

OTHER INSTRUCTIONS:

- In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E voting user manual available at the download section of <https://evoting.kfintech.com> (KFin Website) or contact Mr. P Nageshwar Rao (Unit: Supreme Petrochem Limited) of KFin Technologies Private Limited, Selenium Tower, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032 or at inward.ris@kfintech.com and evoting@kfintech.com or phone no 040-67162222 or call KFin's toll free No. 1-800-3094-001 for any further clarification(s) in the subject matter.
- You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- If e-mail address or mobile number of the Member is registered against Folio No/DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a new password.
- Member may call KFin toll free number 1800-3094-001 for any assistance.
- Member may send an e-mail request to inward.ris@kfintech.com for any support in relation to e-voting.
- KFin shall endeavour to send User ID and Password to those new Members whose e-mail ids are available.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 SETTING OUT ALL THE MATERIAL FACTS RELATING TO SPECIAL BUSINESS:

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), sets out material facts relating to the business mentioned in the accompanying Notice dated July 5, 2021.

Background

The Board of Directors of the Company (“the **Board**”) has at its meeting held on March 12, 2021, approved the draft scheme of reduction of share capital of the Company providing for 60% reduction of paid-up equity share capital of the Company by reducing the face value of paid-up equity shares of the Company from the existing Rs. 10/- (Rupees Ten Only) per equity share to Rs. 4/- (Rupees Four Only) per equity share and returning the amount of Rs. 6/- (Rupees Six Only) per equity share to all the equity shareholders of the Company as on the record date in accordance with section 66 and other applicable provisions, if any, of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 (hereinafter referred to as “**Scheme**”) subject to approval of shareholders, Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”) and all other regulatory and necessary approvals.

The Scheme was reviewed and recommended to the Board of Directors of the Company for approval by the Audit Committee of the Company at its meeting held on March 12, 2021 and also the committee of Independent Directors at its meeting held on March 12, 2021 has recommended stating that the Scheme is not detrimental to the shareholders of the Company.

Rationale and Purpose of the Reduction of Share Capital

1. Since the Initial Public Offer in 1994, the Company has been growing and rewarding its shareholders through regular dividend pay-out and periodical buy-back of the equity shares;
2. As on September 30, 2020 the Company has cash and cash equivalents and liquid resource aggregating to ₹409.58 Crores, which are in form of cash, bank and investments in debt schemes of mutual funds. Further Company has enough resources to meet its ongoing business activities as well as future growth requirements;
3. On a review of the financial position of the Company as per its audited financial statement as on March 31, 2020 including its reserves, future revenues, expansion plans and CAPEX thereto etc., the Board of Directors of the Company in the meeting held on March 12, 2021, were of the opinion that the paid up share capital of the Company is in excess of its requirement of funds;
4. The Board, in the aforesaid meeting, after carefully examining and evaluating the different options available to the Company and in accordance with the provisions of Section 66 of the Companies Act, 2013 read with the applicable rules issued thereunder, and subject to the consent of the shareholders and the approval from the Tribunal and other statutory authorities as and where applicable decided to pay back the excess share capital by reducing 60% of the paid up share capital of the Company by way of cancelling and extinguishing 60% of the paid up value of the equity shares by returning Rs. 6/- (Rupees Six Only) per equity share to the shareholders;
5. Post the reduction of share capital-
 - i) The Company will have more efficient capital structure and the shareholders will also benefit in terms of enhanced return on equity capital, return on capital employed and dividend yield on face value of shares.
 - ii) The Company will have enough resources to fund the ongoing activities and its expansion programme etc.
6. The reduction of the paid-up equity share capital will not result in any change in the proportion of shareholding of the members of the Company and would not in any way have any adverse effect on the Company’s ability to honour its commitments or meet its obligations in the ordinary course of business;

7. The benefits of the Scheme will be as follows:

- i. The excess capital, lying idle and unused by the Company, will be returned to all the shareholders of the Company in a proportion of their shareholding as on the record date, as may be fixed by the Board.
- ii. An accurate financial position of the Company will be reflected and excess and unwanted share capital will be returned to the shareholders.

About the Scheme

1. The Scheme provides for reduction of issued, subscribed and paid-up share capital of the Company from the existing Rs. 94,02,06,710/- (Rupees Ninety Four Crore Two Lakhs Six Thousand Seven Hundred Ten Only) divided into 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares with face value of Rs. 10/- (Rupees Ten Only) per equity share to Rs. 37,60,82,684/- (Rupees Thirty Seven Crores Sixty Lakhs Eighty Two Thousand Six Hundred Eighty Four Only) divided into 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares with face value of Rs. 4/- (Rupees Four Only).
2. The aforesaid reduction in the equity share capital shall be effected by returning to all the Shareholders as on the Record Date (*as defined in the Scheme*) an amount of Rs. 6/- (Rupees Six Only) per equity share out of face value of Rs. 10/- (Rupees Ten Only) per equity share held by them and reducing the face value of equity shares of the Company from the existing Rs. 10/- (Rupees Ten Only) per equity share to Rs. 4/- (Rupees Four Only) per equity share.
3. Pursuant to reduction of share capital as above, the face value of equity shares of the Company shall stand reduced to Rs. 4/- (Rupees Four Only) per equity share and consequently, the authorized share capital of the Company shall stand reorganized from Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 12,50,00,000 equity shares of Rs. 10/- each and 2,50,00,000 redeemable cumulative preference shares of Rs. 10/- each to Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 31,25,00,000 equity shares of Rs. 4/- each and 2,50,00,000 redeemable cumulative preference shares of Rs. 10/- each.
4. The reduction of share capital in accordance with the Scheme shall be subject to provisions of the Income Tax Act, 1961 and the Company shall make payment to the shareholders of the Company after withholding or deducting such tax at source as may be applicable as per the Income Tax Act, 1961. The shareholders may seek professional independent advice on treatment of the amount received on reduction of share capital, as aforesaid, in their respective tax returns.

Effect of the Scheme

1. Pursuant to the Scheme -
 - The existing issued, subscribed and paid-up equity share capital of the Company shall stand reduced by a sum of Rs. 56,41,24,026/- (Rupees Fifty Six Crores Forty One Lakh Twenty Four Thousand Twenty Six Only) and face value of equity shares of the Company shall stand reduced from the existing Rs. 10/- (Rupees Ten Only) per equity share to Rs. 4/- (Rupees Four Only) per equity share;
 - There will be no change or reduction in the number of equity shares issued by the Company, and hence, the proportion of the equity shares held by the existing members of the Company will remain intact and no prejudice will be caused to the shareholders of the Company by the aforesaid reduction in equity share capital.
2. The Scheme will not have any effect on any of the Company's employees/creditors/banks/ financial institutions. The reduction of capital would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its liabilities in the ordinary course of business. The Scheme does not in any manner alter, vary or affect the rights of the creditors of the Company.
3. Post the reduction of share capital, the Company will have more efficient capital structure and the shareholders will also benefit in terms of enhanced return on equity, return on net worth and dividend yield etc.

Capital Structure of the Company - pre and post the Reduction of Share Capital

Particulars	Pre Scheme		Post Scheme	
	Number of shares	Amount (Rs. in Crores)	Number of shares	Amount (Rs. in Crores)
Authorized Share Capital	12,50,00,000 equity shares of Rs. 10/- each	125.00	31,25,00,000 equity shares of Rs. 4/- each	125.00
	2,50,00,000 redeemable cumulative preference shares of Rs. 10/- each	25.00	2,50,00,000 redeemable cumulative preference shares of Rs. 10/- each	25.00
	Total	150.00	Total	150.00
Issued, subscribed and paid up share capital	9,40,20,671 equity shares of Rs. 10/- each	94.02	9,40,20,671 equity shares of Rs. 4/- each	37.61
	Total	94.02	Total	37.61

No-Objection / Observation Letter from the Stock Exchanges

In terms of requirement of Regulation 37 of the Listing Regulations read with the SEBI Circular, the Company has filed the draft Scheme with the Stock Exchanges and has received observation letters each dated June 18, 2021 from BSE and NSE. The copy of observation letters is available on the website of our Company at www.supremepetrochem.com.

Article 57 of the Articles of Association of the Company authorises the Company to undertake the reduction of share capital in any manner and in accordance with the provisions of the Act. Section 66 of the Act mandates approval of shareholders of the company by way of a special resolution for the reduction of share capital. Accordingly, the proposed resolution is being circulated by the Company for your consideration and approval.

The Board of Directors of the Company considers that the proposed resolution is in the best interests of the Company, its shareholders and therefore, recommends the passing of the proposed resolution as set out in the Notice as a special resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, or deemed to be, directly or indirectly, concerned or interested in the proposed resolution except to the extent of equity shares held by any of them.

A copy of the draft Scheme, latest Memorandum and Articles of Association of the Company, copy of certificate issued by the Statutory Auditors, copy of fairness opinion issued by merchant banker, and any other documents referred herein are available for inspection at the Registered Office of the Company during 11.00 A.M. to 4.00 P.M., on any working day (Monday to Friday) subject to opening of office due to COVID-19 related restrictions till the last date of remote e-voting or alternatively are also available on the website of the Company at www.supremepetrochem.com.

By Order of the Board of Directors,

FOR, SUPREME PETROCHEM LIMITED

D. N. MISHRA
COMPANY SECRETARY

Place: Mumbai
Date: July 5, 2021