

SUPREME TEX MART LIMITED

REGD.OFFICE: 424, INDUSTRIAL AREA - A, LUDHIANA

NOTICE is hereby given that an Extra-ordinary General Meeting of the Shareholders of SUPREME TEX MART LIMITED will be held at the Registered Office of the Company at 424, Industrial Area - A, Ludhiana on Wednesday, the 27th day of April, 2011 at 11 A.M. to transact the following Business:

SPECIAL BUSINESS

1. **TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION (S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION: -**

"RESOLVED THAT in accordance with the provisions of Section 81, 81(1A) and other applicable provisions, if any of the Companies Act, 1956 (including any amendment thereto or modification(s) or re-enactment(s) thereof and in accordance with the provisions of the Memorandum and Articles of Association of the company and rules / regulations and Guidelines issued by the Securities Exchange of Board of India and subject to the requisite approval, consent, permissions and sanctions, if any of the Government of India, Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other appropriate authorities, Institutions or bodies under any applicable laws, rules and terms, condition, stipulations and modifications as may be prescribed by any of them while granting such approvals consents, permissions and/or sanctions and which may agreed to the Board of the Directors of the Company (hereinafter referred to as "The Board" which expression shall be deemed to include any Committee (s) constituted / to be constituted by the Board for the time being and from time to time to which all or any of its power including the power referred by the Resolution may have been delegated by the board) be and is hereby authorise to accept, consent of the Company be and is hereby accorded to the Board of the Directors, or Committee to create, issue, offer and allot from time to time in one or more stages to all eligible investors, whether members of the Company or not, through a public issue and / or on a private placement basis, to promoters or to their relatives/associates or to others on preferential basis including Qualified Institutional Placement of under chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations 2009"), Equity Shares, Preference Shares (redeemable or non redeemable and / or convertible or non convertible), debentures whether partly / fully convertible, and/or Securities linked to Ordinary Shares and / or foreign currency convertible bonds convertible into Equity shares or American Depositary Receipt (ADR), Global Depositary Receipt (GDR), Foreign Currency Convertible Bond (FCCB), other security or securities, warrants entitling the holders to subscribe for and have allotted equity Shares at par and/or such premium, and on such terms and conditions as the Board may, from time to time, determine at the option of the Company ("hereinafter referred to as Securities"), through prospectus and / or offer letter and / or with shareholders permission so however that the total amount raised through the aforesaid Securities do not exceed Rs.10 crores, such issue and allotment to be made at such time(s), in one or more stages, at such price(s), in such manner, subject to necessary approvals & provisions.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept any modification(s) in proposal(s) mentioned above as may be required, by any authority concerned at the time of their approval.

RESOLVED FURTHER THAT the Board be and is hereby authorised to change any modification(s) in proposal(s) mentioned above regarding maximum amount of money to be raised by issue of securities or raising money from banks/financial institutions or other institutions in Indian or foreign currency, or for mortgage/charging of assets of company, as may be required in the course of negotiations.

RESOLVED FURTHER THAT the Board is also entitled to enter into and execute all such arrangements/agreements with any lead manager/under writers/Custodians/financial institutions/banks and all such agents as may be involved/concerned in such offering of security and to remunerate all such agents.

RESOLVED FURTHER THAT for the allotment of securities, the Board be and is hereby authorised to do all such acts, deeds, matters as it may, in its absolute discretion, deem necessary.

RESOLVED FURTHER THAT the Board be & is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Executive(s)/Officer(s) or Agent(s) of the Company to give effect to the aforesaid resolution."

2. **TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION (S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION: -**

"RESOLVED THAT in modification to the earlier resolution passed at the Extra Ordinary General Meeting of the Shareholders of the Company held on 14th October, 2006, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293(1)(d) and other applicable provisions of the Companies Act, 1956, for borrowing from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, not withstanding, that the money or monies to be borrowed by the Company (apart from the Temporary loans, including working capital limits, obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the money already borrowed, may exceed the aggregate of the Paid-up share Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose(s), provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs.500 Crores (Rupees Five Hundred Crores only) in addition to paid-up capital & free reserves of the Company".

BY ORDER OF THE BOARD

PLACE: LUDHIANA

DATED: 29.03.2011

(ROBIN VIJAN)

COMPANY SECRETARY

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM NO. 1 & ITEM NO. 2 IS ANNEXED HERETO AND FORMS PART OF THIS NOTICE.

ANNEXURE TO THE NOTICE:-

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 1

To part finance the ongoing project for establishment of unit for manufacturing recycled fiber and opened end yarn, M/s. Sindia Investment Group Pte Ltd, Singapore has agreed to finance an amount of Rs. 3,24,00,000/- (Rupees Three crores Twenty Four Lacs only) against the issue of Equity Shares on Preferential basis.

Further Mr. Gautam Gupta & Ms. Bhavna Gupta, Promoters of the Company has agreed to finance Rs. 4.05 Crores (Rupees Four Crores Five Lac only) to meet out the working capital requirements against the issue of shares on preferential basis.

In accordance with the provisions of the Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations 2009") and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the following disclosures are being made:

1. **Relevant Date :** 28.03.2011
2. **Stock Exchange:** National Stock Exchange (NSE)
(Being the stock exchange in which highest trading volume in respect of the shares of the company is recorded)
3. **Price:** Rs. 27.00/- (Rupees Twenty Seven only) per share, being the higher of the following:
 - a) Rs. 15.55/- per share - the average of the weekly high and low of the closing prices of the related shares quoted on the Stock Exchange during the six months preceding the Relevant Date;
 - b) Rs. 11.82/- per share - the average of the weekly high and low of the closing prices of the related shares quoted on a Stock Exchange during the two weeks preceding the Relevant Date.
 - c) Rs. 27.00/- per share.

4. Object of the Issue.

Sr. No.	Name of the Proposed Allottee	Amount of Investment	Object of the Preferential Issue
1.	Sindia Investment Group Pte Ltd	3,24,00,000	To part finance the ongoing project for establishment of unit for manufacturing recycled fiber and opened end yarn
2.	Mr. Gautam Gupta & Ms. Bhavna Gupta	4,05,00,000	To meet out the working capital requirements

5. Subscriber to the Issue:

Sr. No.	Name	Category
1.	M/s. Sindia investment Group Pte Ltd	Foreign Company
2.	Mr. Gautam Gupta & Ms. Bhavna Gupta	Promoter Group

6. Shareholding Pattern before & after the issue of 27, 00,000 Equity Shares.

SHAREHOLDING PATTERN		EXISTING		PROPOSED	
CATEGORY		NO.OF EQUITY SHARES OF RS.5/- EACH	% OF COL.2	NO.OF EQUITY SHARES OF RS.5/- EACH	% OF COL.4
(1)		(2)	(3)	(4)	(5)
A	PROMOTER'S HOLDING				
	DIRECTORS & RELATIVES	19862690	38.17	21362690	39.02
	BODIES CORPORATES	8500000	16.33	8500000	15.53
	Sub-Total	28362690	54.50	29862690	54.55
B	NON-PROMOTERS HOLDING				
	INDIAN PUBLIC	7971289	15.32	7971289	14.56
	NRIs/OCB/NR	15707654	30.18	16907654	30.89
	Sub-Total	23678943	45.50	24878943	45.45
GRAND-TOTAL		52041633	100.00	54741633	100.00

7. Allotment will be completed before 11.05.2011 or within 15 days from the date of approval of this allotment by any statutory body.

8. Proposed Allottee

Sr. No	Name & Address of the Proposed Allottee	Existing Shareholding		Proposed Shareholding	
		No of Shares	%ge of total Shareholding	No of Shares	%ge of total Shareholding
1.	M/s. Sindia Investment Group Pte Ltd. 10 Jalan Besar, # 10-12 Sim Lim Tower, Singapore-208787	70,00,000	13.45%	82,00,000	14.98%
2.	Mr. Gautam Gupta #445, Sant Nagar, Ludhiana	4,09,200	0.79%	11,59,200	2.12%
3.	Ms. Bhavna Gupta #445, Sant Nagar, Ludhiana	3,68,000	0.71%	11,18,000	2.04%

9. Lock-in

The shares allotted to Sindia Investment Group Pte Ltd shall remain Locked in for a period of one year & shares allotted to Promoters shall be locked in for a period of three years from the date of allotment.

None of the Directors except the Whole- time Directors of your Company are concerned or interested in the said resolution.

ITEM NO 2

As per the provisions of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors of a Public Company can't borrow money (a part from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the Company's Paid-up Capital and Free Reserves (that is reserves not set apart for any specific purpose) without the consent of the shareholders in the General Meeting.

The shareholders of the Company in the Extra Ordinary General Meeting held on 14th October 2006 authorized the Board of Directors to borrow up to Rs.200 Crores. Keeping in view the future expansion of the Company, the Debts may exceed the Paid up Capital and Free Reserves of the Company and further the Company may avail further loans from the Banks/Financial Institutions or any other Lenders for business purposes, hence, it is considered necessary to enhance the said borrowing limits of the Board of Directors to Rs.500 Crores in addition to paid- up capital & free reserves (that is to say, reserves not set apart for specific purposes).

The Resolution set out at item No.2 of the notice is put forth for consideration of the members as a Special resolution pursuant to section 293(1) (d) of the Companies Act, 1956, authorizing the Board of Directors to borrow up to a sum of Rs.500 Crores. Your Directors recommend the above Resolution for your approval.

None of the Directors of the Company are in any way concerned or interested in the said resolution.

PLACE: LUDHIANA
DATED: 29.03.2011

BY ORDER OF THE BOARD

(ROBIN VIJAN)
COMPANY SECRETARY

SUPREME TEX MART LIMITED**ATTENDANCE SLIP**

Please fill in attendance slip and hand it over at the entrance of the factory.

Name and address of the shareholder

Folio No.

No. of shares held

I hereby record my presence at the Extra-ordinary General Meeting of the Company held on 27th day of April, 2011 at 11 A.M. at 424, Industrial Area-A, Ludhiana.

SIGNATURE OF THE SHAREHOLDERS OR PROXY

PROXY

I/We

of

being

a member(s) of SUPREME TEX MART LIMITED hereby appoint

of

or failing him

of

as my/our proxy to vote for me/us and on my/our behalf at Extra-ordinary General Meeting of the company held on 27th day of April, 2011 at 11 A.M. at 424, Industrial Area-A, Ludhiana and at any adjournment thereof.

Signed _____ day of _____ 2011

Affix a
1 Rupee
Revenue
Stamp

BY ORDER OF THE BOARD

(ROBIN VILANI)
COMPANY SECRETARY

PLACE: LUDHIANA
DATED: 28.03.2011