



MAHALAXMI RUBTECH LIMITED

OFFSET PRINTING BLANKETS | TECHNICAL COATED FABRICS

Ref: MRT/CS/Correspondence/2022-23/47

Date: February 16, 2023

To,
BSE LIMITED
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001,
Maharashtra,
India.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, Plot No. C/1, G - Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051,
Maharashtra,
India.

Company Code: MHLXMIRU
Script Code: 514450

Trading Symbol: MHLXMIRU
Series: EQ

Dear Sir/Madam,

Sub.: Approval to the Scheme of Arrangement involving Demerger

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, We inform your good self that the Board of Directors of the Company in its Board Meeting held on today i.e. Thursday, February 16, 2023, at the Corporate Office of the Company, have transacted and approved the following business:-

- Demerger embodied in the draft Scheme of Arrangement between Mahalaxmi Rubtech Limited (MRT) (CIN:- L25190GJ1991PLC016327) (Hereinafter referred to as “the Demerged Company”); Mahalaxmi Fabric Mills Private Limited (Formerly known as “Sonnet Colours Pvt Ltd”) (MFMP) (CIN:- U17100GJ1991PTC015345) (Hereinafter referred to as “the First Resulting Company”); and Globale Tessile Private Limited (GTPL) (CIN:- U17299GJ2017PTC098506) (Hereinafter referred to as “the Second Resulting Company”) and their respective Shareholders and Creditors (“Hereinafter referred to as the Scheme”).

Information as required under the SEBI Circular No.:- CIR/CFD/CMD/4/2015, dated September 09, 2015 is as under:-

1. Brief detail of the Divisions to be demerged:-

The Scheme of Arrangement provides for Demerger of Traditional Textiles Processing Division, located at Narol, Ahmedabad and Wind Power Division of the Demerged Company along with existing investment of the Demerged Company in its Wholly Owned Subsidiary Company namely Mahalaxmi Exports Private Limited (CIN:- U17299GJ2019PTC110673) (Hereinafter referred to as “the First Demerged Undertaking”) and vesting the same into the First Resulting Company.

And also, the Scheme of Arrangement provides for Demerger of Trading Textiles Division of the Demerged Company (Hereinafter referred to as “the Second Demerged Undertaking”) and vesting the same into the Second Resulting Company.

After Demerger, Rubber/Technical Textiles Division and Weaving Division located at Sanand, Dist. Ahmedabad, shall be remaining business of the Demerged Company.

CORPORATE OFFICE:

MAHALAXMI HOUSE, YSL AVENUE,
OPP. KETAV PETROL PUMP, POLYTECHNIC ROAD,
AMBAWADI, AHMEDABAD - 380 015, INDIA.
TELEPHONE: +91-79-40008000 FAX: +91-79-40008030

WORKS:

UMA INDUSTRIAL ESTATE, PHASE III, VILLAGE: VASNA-IYAVA,
TALUKA: SANAND, DISTRICT: AHMEDABAD - 382 170, INDIA.
TELEPHONE: 02717-284309, 284310 FAX: 02717-284152
E-MAIL: mrt@mrtglobal.com WEBSITE: www.mrtglobal.com

REGD. OFFICE:

47, NEW CLOTH MARKET,
AHMEDABAD - 380 002, INDIA.
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2. Turnover (Revenue from operations) of the demerged Divisions and as percentage to the total turnover of the Demerged Company in the immediately preceding Financial Year:-

On a Standalone basis, in the Financial Year 2021-22, (i) Turnover of the First Demerged Undertaking is Rs. 6802.60 Lakhs, representing 40.10% of the total Turnover of the Demerged Company; and (ii) Turnover of the Second Demerged Undertaking is Rs. 4789.17 Lakhs, representing 28.23% of the total Turnover of the Demerged Company.

3. Rationale for Demerger:-

MRT is embarking upon the agenda of rapid growth and development over the coming years with clear focus on its core businesses in three different verticals i.e. Rubber/Technical Textiles Division, Traditional Textiles Processing Division and Trading Textiles Division. It is therefore decided to create a simpler group structure wherein emphasis will be on the growth of all three Divisions through different verticals. It is felt that such structure will help effectively focusing on core competence of each of these three different Divisions. A talented pool of human resources driving each of these three Divisions will strive to achieve the desired goals in a span of a few years.

4. Brief detail of changes in Shareholding Pattern (if any) of all the Companies:-

Upon coming into effect of the Scheme, the entire issued, subscribed and paid-up Equity Shares Capital of the First Resulting Company and the Second Resulting Company shall be cancelled.

In consideration of transfer of the First Demerged Undertaking of the Demerged Company, the First Resulting Company shall issue and allot 1,06,20,275 (One Crores Six Lakhs Twenty Thousand Two Hundred and Seventy Five) new Equity Shares Capital of Rs. 10/- (Rupees Ten Only) each, credited as fully paid-up, to the Shareholders of the Demerged Company, in the ratio of 1 (One) new Equity Share of the First Resulting Company, for every 1 (One) Equity Share in the Demerged Company.

And also, in consideration of transfer of the Second Demerged Undertaking of the Demerged Company, the Second Resulting Company shall issue and allot 1,06,20,275 (One Crores Six Lakhs Twenty Thousand Two Hundred and Seventy Five) new Equity Shares Capital of Rs. 10/- (Rupees Ten Only) each, credited as fully paid-up, to the Shareholders of the Demerged Company, in the ratio of 1 (One) new Equity Share of the Second Resulting Company, for every 1 (One) Equity Share in the Demerged Company.

There will be no change in the Shareholding Pattern of the Demerged Company, pursuant to the Scheme.

The Shareholding Pattern of the First Resulting Company and the Second Resulting Company shall be exactly the same as that of the Demerged Company.

5. In case of cash consideration – amount or otherwise Share exchange ratio:-

Cash consideration:- Not Applicable

For Share exchange ratio:- Refer Sr. No. 4, as mentioned herein above

6. Whether listing would be sought for the Resulting Companies:-

Yes

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The Meeting of the Board of Directors of the Company commenced at 05.00 P.M. and concluded at 06:30 P.M.

Kindly take the same on record and oblige.

Thanking you,

Yours faithfully,

FOR, MAHALAXMI RUBTECH LIMITED



SHITAL MARSH TRIVEDI
COMPANY SECRETARY
ICSI MEMBERSHIP NO.: A60855

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