



*D. Shah
&
Associates*

Chartered Accountants

12th February, 2023

To, The Board of Directors Mahalaxmi Rubtech Limited YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ahmedabad 380015	To, The Board of Directors Mahalaxmi Fabric Mills Private Limited (formerly known as Sonnet Colours Private Ltd.) YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ahmedabad 380015
To, The Board of Directors Mahalaxmi Exports Private Limited YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ahmedabad 380015	To, The Board of Directors Globale Tessile Private Limited YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ahmedabad 380015

Sub: Report on Fair Equity Share Entitlement Ratio- Draft Scheme of Arrangement with the Shareholders and Creditors of your Company –
In the matter of **Mahalaxmi Rubtech Limited** (Demerged Company) and two Resultant Companies – **Mahalaxmi Fabric Mills Private Limited** formerly known as Sonnet Colours Private Ltd. and **Globale Tessile Private Limited under Section 230 and 232 of the Companies Act, 2013.**

Ref: Engagement Letter dated 10th February 2023.

Dear Sirs,

In terms of the above mentioned engagement letter, I understand that **M/s. Mahalaxmi Rubtech Limited** (“the Company” or “Demerged Company or “MRT”) is contemplating a restructuring of its existing business at its’ fair value and for that purpose has prepared a draft scheme of arrangement with its’ shareholders and creditors. The Company’s equity shares are listed on the National Stock Exchange of India Limited (NSE) and the B S E Limited (BSE).



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Valuation Report -Mahalaxmi Rubtech Ltd.



This Scheme of Arrangement provides for the demerger of (i) Traditional Textiles Business, and (ii) Trading Business of the Demerged Company and vesting the same into the First Resulting Company and the Second Resulting Company respectively.

Mahalaxmi Rubtech Limited is engaged in three different segments of businesses as under:

- (i) Rubber / Technical Textiles Business and Weaving unit located at Sanand, Dist. Ahmedabad proposed to be retained in Mahalaxmi Rubtech Limited. – Demerged Company.
- (ii) Traditional Textiles Business – located at Narol, Ahmedabad to be demerged in Mahalaxmi Fabric Mills Private Limited formerly known as Sonnet Colours Private Limited. along with existing investment in WOS -Mahalaxmi Exports Private Limited and its' Wind Power Project.
- (iii) Trading Business–i.e. trading of clothes proposed to be demerged in Globale Tessile Private Limited

Mahalaxmi Group 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. It is therefore decided to create a simpler group structure wherein emphasis will be on the growth of all three businesses through different verticals. It is felt that such structure will help effectively focusing on core competence of each of these different businesses. A talented pool of human resources driving each of these businesses will strive to achieve the desired goals in a span of a few years.

The Scheme of Arrangement therefore proposes to demerge simultaneously the Traditional Textiles Business of Mahalaxmi Rubtech Limited and vesting the same in to Mahalaxmi Fabric Mills Private Limited formerly known as Sonnet Colours Private Limited – Resultant company -1, along with existing investment in WOS Mahalaxmi Exports Private Limited. and Trading business is proposed to be demerged in Globale Tessile Private Limited – Resultant Company -2 and all the remaining business including Rubber/Technical textile business carried on presently through its' division – Weaving Division will be retained in Mahalaxmi Rubtech Ltd. i.e. the Demerged company on mirror image basis with 1st April 2022 as an appointed date.





The Scheme in brief :

As per the Draft scheme attached to the report the restructuring of the business is proposed to be done inter alia, the following premises:

1. The assets and liabilities of the Traditional Textiles Business of Mahalaxmi Rubtech Limited will be demerged by vesting the same in to Mahalaxmi Fabric Mills Private Limited formerly known as Sonnet Colours Private Limited – Resultant company -1, along with existing investment in WOS Mahalaxmi Exports Private Limited, Wind Power Project and its respective employees on a going concern basis with net worth of Rs.87.32 Cr as on the appointed date, on a mirror image basis inclusive of the fair value of the immovable property of the Traditional Textile business as determined by Shri Parnav Parikh, a registered valuer having registration No. IBBI/RV/07/2019/12652,.
2. The assets and liabilities of its trading Division will be demerged into its' Wholly owned Subsidiary, Globale Tessile Private Limited along with its' employees on a going concern basis with net worth of Rs 12.03 Cr as on appointed date, on mirror image basis.
3. All the employees of the respective divisions of business proposed to be demerged shall be transferred on the existing terms and conditions of the employment with accrued liability of provident fund gratuity etc.
4. Each of the two resulting companies shall credit Rs.10,62, 02,750/- to the share capital account towards Equity Share capital proposed to be allotted to the shareholders of the demerged company and the remaining amount of excess of assets over liabilities towards Securities Premium Account.
5. The existing net assets of Mahalaxmi Fabric Mills Private Limited would be credited as unsecured loans of the existing shareholders of the said Company whereas the existing share capital of Rs.5 Lakh of Globale Tessile Private Limited being wholly owned subsidiary of Mahalaxmi Rubtech Limited shall stand cancelled.
6. The Equity Share capital of Rs.3 Cr of the Mahalaxmi Exports Private Limited, the WOS of Mahalaxmi Rubtech Limited shall stand transferred to Mahalaxmi Fabric Mills Private Limited.
7. The Both Resulting Companies which are private limited companies at the time of the proposed demerger shall be converted to public limited companies as a part of the Proposed Scheme and subject to the compliances to be done proposed to be listed on the stock exchanges.





8. The net worth of Mahalaxmi Fabric Mills Private Limited as on the effective date of the scheme of arrangement, shall be credited to the unsecured loan of the shareholders of Mahalaxmi Fabrics Limited as on the effective date of the demerger.

For this purpose, the undersigned has been engaged to recommend a Fair Equity Share Entitlement Ratio as on 1st April, 2022 (hereinafter referred to as "Appointed Date" or "Valuation Date").

For this purpose, the undersigned has been engaged to recommend a Fair Equity Share Entitlement Ratio as on 1st April, 2022 (hereinafter referred to as "Appointed Date" or "Valuation Date").

Particulars	Valuation Approach and Method	Recommendation
Fair Equity Share Entitlement Ratio	Asset Approach	Fair Equity Share Entitlement Ratio shall be One Equity Share of Rs.10/- each fully paid of Mahalaxmi Fabric Mills Limited and One Equity Share of Rs.10/- each fully paid of Globale Tessile Limited for every One Equity share of Rs. 10/- each fully paid of Mahalaxmi Rub-Tech Limited held on the record date.

We believe that our analysis must be considered as a whole. Selecting portion of our analysis or the factors we considered, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of valuation is a complex process and shall not be viewed in a partial manner. Any attempt to do so could lead to undue emphasis on any particular factor.

The 'PURPOSE OF THE VALUATION' have a significant bearing on the recommended Fair Equity share entitlement ratio. Use of the recommended Fair Equity share Entitlement Ratio mentioned in this valuation report for a purpose other than that specified in the report shall be construed as 'out of context' and in such circumstances the undersigned shall hold no





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responsibility.

It may be noted that upon approval of the proposed scheme of arrangement with the shareholders and creditors of the respective companies, all the shareholders of MRT will become shareholders of Mahalaxmi Fabrics Mills Limited and Globale Tessile Limited on mirror image basis and that no change is proposed to take place in the management and control of the company.

A detailed valuation report along with Annexure for Information required under SEBI Circular No. SEBI /HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 is annexed to the report.

Thanking you,
Yours faithfully,



Dilipkumar Shah
Registered Valuer – Securities & Financial Assets
Regn. No. IBBI/RV/06/2020/12730
UDIN: 23030492BGTQKZ5412

Encl: As above



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VALUATION REPORT

FAIR EQUITY SHARE
ENTITLEMENT RATIO ON
RESTRUCTURE OF BUSINESS BY
DEMERGER OF EXISTING
TRADITIONAL TEXTILE
UNDERTAKING AND TRADING
BUSINESS UNDERTAKING OF
MAHALAXMI RUB-TECH LIMITED
– CIN: L25190GJ1991PLC016327

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1. EXECUTIVE SUMMARY

i) Corporate Identity :

Mahalaxmi Rubtech Limited (**“the Demerged Company” or “MRT”**) is a company incorporated under the provisions of the Companies Act, 1956 under CIN: L25190GJ1991PLC016327 having its registered office at 47, New Cloth Market, O/s Raipur Gate, Ahmedabad: 380002, Gujarat. The Demerged Company is engaged, inter-alia, in the business of traditional as well as Rubber / Technical textiles in the domestic and overseas market. The Company is a public company and its Equity Shares are listed on the National Stock Exchange of India Ltd. and the BSE Ltd. It has two wholly owned subsidiaries detailed herein below.

1. The Mahalaxmi Exports Private Limited (**“the MEPL**) is a company incorporated under the provisions of the Companies Act, 2013 (CIN:U17299GJ2019PTC110673) having its registered office at YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad: 380 015, Gujarat.
2. Globale Tessile Private Limited (**“GTPL”**) is a company incorporated under the provisions of the Companies Act, 2013 under CIN: U17299GJ2017PTC098506 having its registered office at YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad: 380 015, Gujarat

ii) Business Activity : The Mahalaxmi Rubtech Limited is primarily engaged in the textile business and has various divisions carrying out





different activities in the textile business.

- (i) Rubber / Technical Textiles Business and Weaving unit located at Sanand, Dist. Ahmedabad proposed to be retained in Mahalaxmi Rubtech Ltd. – Demerged Company.
- (ii) Traditional Textiles Business i.e. processing of clothes.– located at Narol, Ahmedabad to be demerged in Mahalaxmi Fabric Mills Private Limited formerly known as Sonnet Colours Private Ltd. along with existing investment in WOS -Mahalaxmi Exports Pvt. Ltd and Wind Power Division of MRT.
- (iii) Trading Business –i.e. trading of clothes business proposed to be demerged in Globale Tessile Private Limited.

The company is managed by its board comprising of independent professional directors along with the promoters Shri Jeetmal Parekh as its' Chairman, Shri Rahul J. Parekh as a Managing Director and Shri Anand J. Parekh as Joint Managing Director.

iii) Purpose of valuation:

To recommend fair equity share entitlement ratio for the proposed demerger on mirror image basis of the Traditional Textiles Business of Mahalaxmi Rubtech Limited and vesting the same in to Mahalaxmi Fabric Mills Private Limited CIN U17100GJ1991PTC015345) formerly known as Sonnet Colours Private Limited, including its investment in Mahalaxmi Exports Pvt. Limited and investment in wind power division of the company. The Scheme also proposes to simultaneously demerge on mirror image basis the Trading Business of Mahalaxmi Rubtech Limited and vesting the same in to Globale Tessile Private Limited (CIN U17299GJ2017PTC098506) which is a wholly owned subsidiary company of Mahalaxmi Rubtech Limited.

For the above purpose, the Company needs a Valuation Report from a Registered





Valuer – Securities & Financial Assets.

- iv) Valuation Base : Fair Value
- v) Premises of Value : Going concern basis
- vi) Valuation Approach : Valuation is popularly done by adopting any one or a combination of Income approach, Market approach and Cost approach.

Income Approach

The Income Approach indicates the value of a business based on the value of the cash flows that a business is expected to generate in future. This approach is appropriate in most going concern situations as the worth of a business is generally a function of its ability to earn income/cash flow and to provide an appropriate return on investment.

Market Approach

Compared to the Income Approach that incorporates company-specific estimates to arrive at the firm's intrinsic value, the Market Approach relies on relative valuation to arrive at the value of a business, based upon how similar assets are priced in the market. The Market Approach provides a reasonable basis for valuation and is relatively a quick approach in its application, but it suffers from a number of limitations

Asset Approach

Valuation on Net Assets basis is computed by taking the net value of a business's assets, subtracting therefrom the amount of the liabilities and preferred shareholders' claims and dividing the remainder among the equity shareholders according to their individual rights. It is generally used as the minimum break-up value for the





transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern.

- vii) Valuation Method : Since under the proposed scheme of arrangement, demerger of the business is going to place in to the wholly owned subsidiaries of the Company on mirror image basis and no change in the management and control of the Company is going to take place as a result of the proposed scheme of arrangement, Income approach as well as Market approach for valuation was not found suitable, the valuation has been done by adopting the Net Asset Value Method.
- viii) Valuation Date : 1st April, 2022
- ix) Conclusion : Based on the assumptions and limiting conditions as described in this report, as well as the facts and circumstances as on the valuation date, I conclude that the Fair equity share entitlement ratio for the proposed scheme of demerger shall be One equity share of Mahalaxmi Fabric Mills Pvt Ltd. and one equity share of Rs.10/- fully paid up of Globale Tessile Private Ltd. for one equity share of Rs.10\ - each fully paid up of Mahalaxmi Rubtech Limited held on the effective date of the scheme on mirror image basis.

2. IMPORTANT INFORMATION

2.1 Purpose of Valuation

To recommend fair equity share entitlement ratio for the proposed demerger of the Traditional Textiles Business of Mahalaxmi Rubtech Limited along with its investment of Rs.3 Cr in the share capital of its' Wholly owned Subsidiary (WOS) - Mahalaxmi Exports Private Ltd. and Wind Power Division and vesting the same in to Mahalaxmi Fabric Mills Private Limited (formerly known as Sonnet Colours Private Limited) on mirror image basis. The Scheme also proposes to simultaneously demerge





the Trading Business of Mahalaxmi Rubtech Limited and vesting the same in to Globale Tessile Private Limited on mirror image basis which is a wholly owned subsidiary company of Mahalaxmi Rubtech Limited.

For this purpose, the undersigned has been engaged to express an opinion on the recommended value of the above financial instruments as on 1st April, 2022 (hereinafter referred to as "Valuation Date").

2.2 Identity of the Valuer and Details of Appointment

In the background of the above, this assignment has been carried out by me, Dilipkumar P. Shah, Registered Valuer – Financial Assets or Securities bearing registration no. with IBBI as IBBI/RV/06/2020/12730 on the basis of my engagement letter dated 10th February, 2023 dully accepted by its' Chairman Mr. Jeetmal Parekh, on behalf of the Board of Directors.

2.3 Valuation Date

The fair equity share entitled ratio has been determined based upon the net asset value of the business undertakings being demerged.

2.4 Disclosure of Valuer Independence

I am independent of the Company and the professional charges for this report are not contingent in anyway upon the opinion of fair value of the equity shares to be determined. I am not aware of any conflicts of interest, in whatsoever manner, in relation to this assignment.

My engagement does not, in any way preclude the Company from seeking other independent opinions of the fair value of the Company's shares from other sources.

Further, in this context, I disclose that I am engaged by the Company i.e. MRT for determining the fair equity share entitlement ratio under the proposed scheme of arrangement with the shareholders and Creditors of Mahalaxmi Rubtech Limited and its' creditors under the provisions of Section 230 to Section 232, Section 66 and other applicable provisions of the of the Companies Act, 2013 and under SEBI Circular No. SEBI /HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021.





3. SOURCE OF INFORMATION

The following information and documents have been actively considered during the appraisal process of this assignment.

- 1 Memorandum and Article of Association of the Company.
- 2 Management Representation Letter dated 9th February, 2023.
- 3 Engagement Letter dated 10th February, 2023.
- 4 Draft Scheme of arrangement with the shareholders and Creditors of Mahalaxmi Rubtech Limited and the entities involved in the scheme.
- 5 Audited accounts for the last three years ended 31st March 2022 along with the division wise accounts for the year ended on 31st March 2022 of Mahalaxmi Rubtech Limited and Mahalaxmi Fabric Mills Private Limited (formerly known as Sonnet Colours Private Limited and Globale Tessile Private Limited).
6. Audited accounts of Mahalaxmi Rubtech Limited for the period ended 31st December 2022 along with with its' division wise accounts and Audited accounts of for the period ended 31st March 2022 along with the audited accounts of Mahalaxmi Fabric Mills Private Limited (formerly known as Sonnet Colours Private Limited and Globale Tessile Private Limited for the period ended on 31st December 2022 .
7. Summary of the assets and liabilities proposed to be demerged of the Traditional textile business undertaking and the Trading business undertaking of Mahalaxmi Rubtech Limited.
8. Valuation Reports of immovable properties being part of the demerger.
9. Discussions with the Management of the Company and verbal information provided in course of such discussion along with the related information available in the public domain from various websites and open sources.

4. BACKGROUND INFORMATION OF THE COMPANY

4.1 Corporate Information

Main Objects of Mahalaxmi Rubtech Limited:

1. To carry on the business of manufacturing, processing, buying, selling, exporting, importing, or otherwise dealing in all types of synthetic rubbers and formulations thereof, reclaimed rubber and all kinds of rubber and plastic products and goods including tubes and films and moulded goods of all kinds and for all purposes and in bottles, containers, tubes, warping materials foam rubber and plastic products, transmission belts and conveyors, blankets and similar industrial articles, pipes, hoses, rubber containers and rubber-lined vessels, tanks, equipments, and similar equipments, electric products, rubber, shoe products and parts thereof, ethical rubber products and parts, toys,





- insulating materials, and all other blown, moulded, coated, formed, extruded, calendered and dipped goods and articles.
2. To carry on the business of manufacturing, processing, buying, selling, exporting and importing or otherwise dealing in all kinds of polymers such as rubber, plastic and other similar materials and formulations thereof, adhesives, seals, inflatables, water proofers, sheets, films, foils, oil cloth, linoleum, tarpaulins, hospital sheetings and surgical goods.
 3. To carry on, either on its own account or on account of others, the business of manufacturing, exporting, importing, dealing, weaving, sizing, spinning, ginning, pressing, packing, bailing of cotton, polyester, viscose, synthetics, linen, rayon, nylon, silk, artificial silk, wool, jute, hemp, man made fibres, mixed fibres and any other fibrous substances and the preparation, bleaching, dyeing, colouring, finishing, mercerizing, calendaring, printing, packing, folding and all kind of processing of yarn, cloth, fabric and other substances whether textile, frebled, knitted, hosiery, netted or looped and manufacturing, buying, selling, exporting, importing and dealing in yarn, fabrics, cloth, waste, made up articles, apparels and garments of cotton silk, artificial silk, wool, jute, hemp, viscose, synthetics, polyester, linen, rayon, nylon, man made fibres, mixed fibres and other goods and merchandise made thereof.
 4. To carry on business activities for generation, distribution and dealing, by setting up power units for all types of electrical power by conventional, non-conventional methods including wind turbine, coal, gas, lignite, oil, bio-mass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves for captive consumption of the company or to Sale and Transfer to the electricity Board, or otherwise, and to construct lay-out, establish, fix, install, replace, repair, cables, wires, lines, accumulators, lamps and works to generate, accumulate, distribute and supply electricity, light and power to cities, streets, docks, markets, theatres, buildings and places both public and private either its own or through the collaboration, joint venture in India and abroad.
 5. To carry on the business of Manufacturing, Preparatory (Warping, Sizing, Waxing, Twisting, Doubling) Weaving, Processing, Finishing, Lamination, Coating, Dipping of all kinds of Technical Textiles using with or without different kinds of yarns, fabrics, polymers such as acrylics, polyurethanes, PVC, polyester or rubbers and activities such as Manufacturing, Buying, Selling, Export, Import or otherwise dealing in all kinds of Industrial and Technical Textiles, Composites an made-ups thereof, for various applications such as all kinds of textile print media, signage media, art canvas, blackout, dim-out, all kinds of window blinds, all kinds of outdoor fabrics such as Awings, Umbrella,





outdoor furnishing, for Tents, Camps, Bags, all kinds of Luggage's, Tarpaulins, Covers, Hoods & all kinds of Shed covers of all weights and sizes, all kinds of military supplies and all government supplies, and all such mentioned products, composites, made-ups, textile materials and products used primarily for their technical performance and functional properties and it includes Agrotex, Meditex, Mobitex, Packtex, Sportex, Buildtex, Clothtex, Homtex, Protex, Geotex, Oektex and all such mentioned products.”

Mahalaxmi Rubtech Limited (MRT) is engaged in three different segments of businesses as under:

- (i) Technical Textiles Business and Weaving unit located at Sanand, Dist. Ahmedabad proposed to be retained in Mahalaxmi Rubtech Ltd. – Demerged Company.
- (ii) Traditional Textiles Business i.e. processing of clothes. – located at Narol, Ahmedabad to be demerged in Mahalaxmi Fabric Mills Private Limited formerly known as Sonnet Colours Private Ltd. along with exiting investment in WOS -Mahalaxmi Exports Pvt. Ltd and Wind Power Division of MRT.
- (iii) Trading Business –i.e. trading of clothes business proposed to be demerged in Globale Tessile Private Limited.

4.2 Management:

The company is managed by its promoters comprising of following directors:

Sl. No.	Name	Designation	DIN
1	Shri Jeetmal B. Parekh	Chairman	00512415
2	Shri Rahul J. Parekh	Managing Director	00500328
3	Shri Anand J. Parekh	Joint Managing Director	00500384





4.3

Capital Structure

As represented by the management, the capital structure as on the valuation date is as follows –

Particulars	Numbers	Amt. Rs. Lakhs
Authorized capital		
Equity Shares of face value INR 10/- each	250,00,000	2500
Issued, Subscribed and Paid up Capital: - Equity Shares of face value INR 10/- each	10620275	1062.03

We have been informed by the management that after the above date and till date of this report, there has been no change in the authorized, issued and paid up capital of the Company.

4.4

Ownership

The major equity shareholders of the Company, as per the management representation letter dated 9th February, 2023 are as follows –

Sr. No.	Details of Shareholding	No. of Shares held each of Rs.10/- fully paid up	Percentage holding
1	Promoters and their group entities	6882191	64.80 %
2	Public share holding	3738084	35.20 %
	Total :	10620275	100.00





4.5 Board of Directors

Sl. No.	Name	Designation	DIN
1	Shri Jeetmal B. Parekh	Chairman	00512415
2	Shri Rahul J. Parekh	Managing Director	00500328
3	Shri Anand J. Parekh	Joint Managing Director	00500384
4	Shri Balveermal K. Singhvi	Independent Director	05321014
5	Shri Nehal M. Shah	Independent Director	00020062
6	Smt. Sangita S. Shingi	Independent Director	06999605

4.6 Mahalaxmi Fabric Mills Private Limited (MFML) formerly known as Sonnet Colours Private Limited is a Company engaged in textile activities whose entire capital is being held by promoters and its affiliate companies.

Main object of MFML:

To carry on, either on its own account or on account of others, the business of manufacturing, trading, job-work, producing, processing, exporting, importing, dealing, weaving, sizing, spinning, ginning, pressing, packing, baling and preparation, bleaching, dyeing, colouring, finishing, mercerizing, calendaring, printing, packing, folding, and all kinds of processing of all types of fabrics and other textile and textile goods related to bed and table covers, bed sheets, pillow covers, curtains, textile and textile covers for household users and made up articles and apparels.





Capital structure of MFML, as on Valuation date is as under:

Particulars	Numbers	Amt. Rs. Lakhs
Authorized capital		
Equity Shares of face value INR 100/- each	12,000	12
9% Redeemable Preference shares of Rs.100 each	3000	3
Total		15
Issued, Subscribed and Paid up Capital: - Equity Shares of face value INR 100/- each	5000	5

The Board of Directors of MFML is as follows:

Sl. No.	Name	Designation	DIN
1	Shri Jeetmal B. Parekh	Chairman	00512415
2	Shri Rahul J.. Parekh	Director	00500328
3	Shri Anand J. Parekh	Director	00500384

4.7 Globale Tessile Private Limited (GTPL) is a wholly owned subsidiary of Mahalaxmi Rubtech Limited and is engaged in the business of Traditional textiles.

Main object of GTPL:

1. To carry on, either on its own account or on account of others, the business of manufacturing, trading, job work, producing, processing, exporting, importing, dealing, weaving, sizing, spinning, ginning, pressing, packing, baling of cotton, polyester, viscose, synthetics, linen, rayon, nylon, silk, artificial silk, wool, jute, hemp, man made fibers, mixed fibers and any other fibrous substances and the preparation, bleaching, dyeing, colouring, finishing, mercerizing, calendaring, printing, packing, folding and all kind of processing of yarn, cloth fabric and other substances whether textile, frebled, knitted, hosiery, netted or looped and manufacturing, buying, selling, exporting,





importing and dealing in yarn, fabric, cloth, waste, made up articles, apparels and garments of cotton, silk, artificial silk, wool, jute, hemp, viscose, synthetic, polyester, linen, rayon, nylon, man made fibres, mixed fibres and other goods and merchandise made thereof.

2. To carry on the all types of job work relating to garments, made up articles, manufacturing like sewing machine, computerized embroidery machine, washing plants for washing of garments of all kinds.
3. To carry on the business of buy, sell, import, export of all kinds of garments, made up articles, furnishing fabrics, textiles including decorative hand and machine-made readymade garments, durries, rugs, sarees, shawls, tweeds, lines, flannels, scarfs, belts, tapestry and all other articles of silk, cotton, woolen and worsted materials and all sorts of apparels, dressing materials, cotton, mixed, blended products, nylon, polyester, fibres, yarn, hosiery and mixed fabrics, natural silk fabrics, and leather garments of all kinds including all kinds of commodities.

Capital structure of GTPL as on Valuation date the capital structure of GTPL is as under:

Particulars	Numbers	Amt. Rs. Lakhs
Authorized capital		
Equity Shares of face value INR 10/- each	50,000	5
Issued, Subscribed and Paid up Capital: - Equity Shares of face value INR 10/- each	50000	5

The Board of Directors of GTPL is as follows:

Sl. No.	Name	Designation	DIN
1	Shri Jeetmal B. Parekh	Chairman	00512415
2	Shri Rahul J. Parekh	Director	00500328
3	Shri Anand J. Parekh	Director	00500384





- 4.8 Mahalaxmi Exports Private Limited (MEPL) is a wholly owned subsidiary of Mahalaxmi Rubtech Limited and is engaged in the business of textiles focusing on the export business of the group.

Capital structure of MEPL as on Valuation date the capital structure of MEPL is as under:

Particulars	Numbers	Amt. Rs. Lakhs
Authorized capital		
Equity Shares of face value INR 10/- each	50,00,000	500
Issued, Subscribed and Paid up Capital: - Equity Shares of face value INR 10/- each	30,00,000	300

The Board of Directors of MEPL is as follows:

Sr. No.	Name	Designation
1	Shri Jeetmal B. Parekh	Chairman
2	Shri Anand J. Parekh	Director
3	Shri Rahul J. Parekh	Director

4.9 Prevailing Circumstances

The following prevailing circumstances have significant influence over the assessment and value determination of this valuation exercise.

- Mahalaxmi Rubtech Limited is a public limited Company listed on BSE and NSE. (MRT)
- The Company has been incorporated on 25th September 1991.
- MRT has two Wholly owned subsidiaries; Globale Tessile Private limited and Mahalaxmi Exports private Limited.
- All these three companies are engaged in the business of manufacturing and trading in textiles including technical textiles in domestic as well overseas markets. The Company MRT has a wind power division. Its entire operations is being admiratively supported by it' Head office at Ahmedabad. The Company's business is being conducted through its following six divisions:





1. Rubber/Technical Textile Division – known as “Mahalaxmi Rubtech Ltd”
 2. Weaving Division – known as “Maheeka Textech”
 3. Head office
 4. Processing Division – known as “Mahalaxmi Fabric Mills”
 5. Wind Power Division
 6. Trading division - known as “Mahalaxmi Global”
- e) The Company is contemplating restructuring of its business by creating a simpler group structure wherein emphasis will be on the growth of all three businesses through different verticals and that such structure will help effectively focusing on core competence of each of these different businesses.
- f) As a part of restructuring of its’ existing business it intends to demerge its business in the following manner:

Name of Division	Proposed Restructure	
1. Rubber /Technical Textile Division	Mahalaxmi Rubtech Limited	Demerged Company
2. Weaving Division		
3. Head office		
4. Processing Division	Mahalaxmi Fabric Mills Limited	Resultant company -No. 1
5.WOS-Mahalaxmi Exports Private Limited		
6. Wind Power Division		
7. Trading Division	Globale Tessile Limited	Resultant Company No. 2

- g) The Company MRT’s Equity paid up capital as on date of valuation is Rs.1062.03 Lakh divided in to 10620275 equity shares of Rs.10/- each.
- h) The assets and liabilities of Mahalaxmi Rubtech Limited proposed to be demerged on mirror image basis as on 31st March 2022 of Traditional textile business undertaking along with Wind Power division in Mahalaxmi Fabric Mills Private Limited and its respective employees on a going concern basis with net worth of Rs.87.32 Cr inclusive of the fair value of the immovable property of traditional textile business undertaking as determined by a registered valuer Shri Pranav Parikh (IBBI/RV/07/12652) and the Trading





business undertaking in Globale Tessile Private Limited its' WOS with net asset value of Rs.12.03 Cr, as identified by the management as per the audited accounts as on 31st March 2022, is annexed marked Annexure I to this report.

- i) As per the proposed Scheme of Arrangement, there is not going to be any change in management or shareholding control of the Company as a result of the proposed restructuring of business.
- j) As per the audited accounts for the period ended 31st December 2022 of the divisions to be demerged or the entities involved in the restructuring, there is not major change in the business operations or their fixed assets as compared to the audited accounts for the year ended 31st March 2022 is annexed marked Annexure II to this report.
- k) As per audited accounts of the entities involved in the scheme of arrangement, there is no change in the paid up share capital during the period ended 31st December 2022 as compared to the year ended 31st March 2022.

5 APPLICABLE LEGAL PROVISIONS, GUIDELINES AND DIRECTIVES

Considering the purpose of valuation (as detailed in clause 2.1 above) and the prevailing circumstances (as detailed in clause 4.9 above), considering the proposed scheme of arrangement with the shareholders and creditors, I understand that the provisions of Section 230 to Section 232 and Section 66 of Companies Act 2013, and the rules and applicable regulations there under along with the SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 would be applicable.

6. VALUATION BASES AND PREMISES OF VALUE

ICAI Valuation Standard 102 deals in 'Valuation Bases.' Valuation Bases means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value.

ICAI Valuation Standard 102 deals in 'Premises of Value.' Premise of Value refers to the conditions and circumstances how an asset is deployed.





7. VALUATION APPROACHES AND METHODS

Valuation approach typically applied in valuation of financial instruments are:

1. Income Approach: The discounted cash flow (DCF) analysis is the primary methodology used for Valuation where dependable financial projections are available, two inputs to the DCF model are cash-flows and the discounting factor. Cash can flows and take any form. Since the Company is a going concern income approach is one of the relevant approach required to be adopted for the determination of the fair value of equity shares however, considering the mirror image shareholding of the existing company and the demerged company as well as resultant companies, being wholly owned subsidiaries, adopting income approach for valuation is not suitable.

2. Market Approach: The Comparable data in case of similar size of company is not available, as well as the company being in a peculiar situation about its debt servicing, poses a challenge to carry out any meaningful analysis based on comparable transaction method or comparable data of other listed companies in the same sector. considering the mirror image shareholding of the existing company and the demerged company as well as resultant companies, being wholly owned subsidiaries, adopting income approach for valuation is not suitable.

3. Cost/ Asset Approach: Asset approach allows recognizing financial asset/ liabilities through the net asset value method and therefore the cost/ asset approach has been found suitable as compared to other two approaches, for the recommendation of the fair equity entitlement ratio of the equity share of the company on the valuation date.

8. DETERMINATION OF THE VALUATION APPROACH AND METHOD

8.1 **Income approach** (i.e. DCF method) is a strong valuation tool as it concentrates on cash generation potential of a business. This method is based on the capability of a company to generate cash flow in future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a company's cost of capital and risk associated with the cash flow it generates. However, considering the mirror image shareholding of the existing company and the demerged company as well as resultant companies,





being wholly owned subsidiaries, adopting income approach for valuation is not suitable.

8.2 **Market Approach:** Market approach reflects the value of the assets being demerged, considering the mirror image shareholding of the existing company and the demerged company as well as resultant companies, being wholly owned subsidiaries, adopting income approach for valuation is not suitable.

8.3 **Asset Approach:** The determination of fair equity share entitlement ratio pursuant to the scheme of arrangement with shareholders and creditors of MRT and its' two wholly owned subsidiaries on mirror image basis, and the has been done by adopting an Asset approach. The assets and liabilities identified by the company as pertaining to or in relation to the Traditional Textile business inclusive of the fair value of the immovable property of Traditional Textile business undertaking as determined by a registered property valuer, Wind Power project proposed to be transferred to Mahalaxmi Fabric Mills Limited, the Resultant Company No. 1 and Textile Trading Undertakings in the Globale Tessile Limited , the Resultant Company No.2 at values as appearing as on the day immediately preceding the Appointed Date, pursuant to the scheme have been have been considered as the value of the assets annexed to the report as Annexure 1.

9 DETERMINATION OF THE VALUE:

9.1 Approach for determination of Fair Share Entitlement Ratio:

As mentioned earlier, as per the proposed scheme of arrangement inter alia, envisage the following:

1. The assets and liabilities of the Rubber / Traditional Textiles Business of Mahalaxmi Rubtech Limited will be demerged on mirror image basis by vesting the same in to Mahalaxmi Fabric Mills Private Limited formerly known as Sonnet Colours Private Limited – Resultant company -1, along with existing investment in WOS Mahalaxmi Exports Pvt. Ltd, Wind Power Project and its respective employees on a going concern basis with net worth of Rs.87.32 Cr as on valuation date inclusive of the fair value of the immovable property of the Traditional Textile business as determined by Shri Pranav Parikh (IBBI/RV/07/12652), a registered property valuer.





2. The assets and liabilities of its trading Division will be demerged on mirror image basis into its' Wholly owned Subsidiary, Globale Tessile Private Limited along with its' employees on a going concern basis with net worth of Rs.12.03 Cr as on valuation date.
3. All the employees of the respective divisions of business proposed to be demerged shall be transferred on the existing terms and conditions of the employment with accrued liability of provident fund gratuity etc.
4. Each of the two resulting companies shall credit Rs.10,62,02,750/- to the share capital account towards Equity Share capital proposed to be allotted to the shareholders of the demerged company and the remaining amount of excess of assets over liabilities towards Securities Premium Account.
5. The existing net assets of Mahalaxmi Fabric Mills Pvt. Ltd. would be credited as unsecured loans of the existing shareholders of the said Company whereas the existing share capital of Rs.5 Lakh of Globale Tessile Private Limited being wholly owned subsidiary of Mahalaxmi Rubtech Limited shall stand cancelled.
6. The Equity Share capital of Rs.3 crore of the Mahalaxmi Exports Private Limited, the WOS of Mahalaxmi Rubtech Limited shall stand transferred to Mahalaxmi Fabrics Private Limited.
7. The Both Resulting Companies which are private limited companies at the time of the proposed demerger shall be converted to public limited companies as a part of the Proposed Scheme and subject to the compliances to be done proposed to be listed on the stock exchanges.
- 8.1 The net worth of Mahalaxmi Fabric Mills Private Limited as on the effective date of the scheme of arrangement, shall be credited to the unsecured loan of the shareholders of Mahalaxmi Fabric Mills Limited as on the effective date of the demerger.
- 8.2 We understand that, upon scheme being effective, all the shareholders of MRT would also become shareholders of Resultant company No.1 and Resultant Company No.2, by way of mirror imaging their existing shareholding in MRT prior to the demerger





- 8.3 Also as part of the same scheme, all the outstanding issued capital and paid up capital of the Resultant Company No.2 being wholly owned subsidiary of the Demerged Company, MRT would be cancelled by capital reduction and that resultant Company No.2 would have issued and paid up capital of Rs.10.62 Crore which would be issued to shareholders of Demerged Company on mirror image basis.
- 8.4 Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the proportionate equity shareholding pre-merger and post-merger would remain same and not vary. We have not therefore not carried out any independent valuation of the subject business.
- 8.5 Based on the aforementioned and upon the scheme being effective (post demerger), the set of shareholders and holding proportion in the Demerged Company shall be identical to the resulting Companies. The beneficial economic interest of Demerged Company shareholders in Resulting Companies will remain same as at the time of demerger (pre-demerger) and hence would not have any impact on their economic interest post-demerger. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the proposed Demerger will be value-neutral to the Demerged Company's shareholders.

9.2 CONCLUSION

1. On the basis of the foregoing, considering the proposed Capital structure of the Mahalaxmi Fabric Mills Limited as informed by the Management, and on consideration of all the relevant factors and circumstances as discussed and outlined here in above, a share entitlement ratio in the event of the Proposed Demerger of Traditional Textile business, being Demerged Undertaking No.1 would be as follows:
“ 1 (One) fully paid Equity Share of Rs.10/- each in Mahalaxmi Fabric Mills Limited for every 1(One) Equity Share of Rs.10/- each held in Mahalaxmi Rubtech Limited.”
2. On the basis of the foregoing, considering the proposed Capital structure of the Globale Tessile Private Limited as informed by the Management, and on consideration of all the relevant factors and





circumstances as discussed and outlined hereinabove, a share entitlement ratio in the event of the Proposed Demerger of Trading business, being Demerged Undertaking No.2 would be as follows:

- “ 1 (One) fully paid Equity Share of Rs.10/- each in Globale Tessile Limited for every 1(One) Equity Share of Rs.10/- each held in Mahalaxmi Rubtech Limited.”
3. Our report and fair equity share entitlement ratio is based upon the proposed capital structure of the Resultant Company No.1 and Resultant Company No.2 as per the proposed Scheme of Arrangement. Any variation in the proposed equity share capital structure of the said companies would have impact on the fair share entitlement ratio.
 4. We would like to emphasize that as per the Proposed Demerger envisaged in the Scheme, the Traditional Textile Business undertaking along with the investment in Mahalaxmi Exports Private Limited and Wind Power Project shall be demerged in to Mahalaxmi Fabrics Limited and Trading activities undertaking shall be demerged in to Globale Tessile Limited and upon the Scheme being effective:
Fresh issue of shares would be made to the existing shareholders of Mahalaxmi Rubtech Limited on such a proportionate basis to their existing share capital that it would replicate their existing shareholding in Mahalaxmi Rubtech Limited.
 5. Accordingly, as mentioned earlier, upon implementation of the proposed scheme of arrangement, all the shareholders of MRT would become shareholders of MFM and GTL, no change is going to take place in shareholding. Considering the approach and the rationale for the fair equity share entitlement ratio discussed hereinbefore, the details about the valuation approaches as prescribed by SEBI Circular No.SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 in para 4(d) dated November 23, 2021 and Circular Number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE dated May 29th, 2017 is annexed marked Annexure III.





10 MAJOR FACTORS INFLUENCING VALUATION

The major factors having significant bearing on the Valuation process are as follows –

1. The valuation of the financial instruments is being made on the basis of a proposed scheme of arrangement with the shareholders and creditors of MRT as per representation of the management to the extent explicitly mentioned hereinabove. Any change in the terms of the issue from that mentioned above shall have material impact on the valuation recommended hereinabove and in such circumstances the value stated in this report shall not hold good.
2. The determination of fair equity share entitlement ratio has been done pursuant to the scheme of arrangement with shareholders and creditors of MRT and its' two wholly owned subsidiaries on mirror image basis, and the has been done by adopting an Asset approach. The assets and liabilities identified by the company as pertaining to or in relation to the Traditional Textile business inclusive of the fair value of the immovable property of Traditional Textile business undertaking as determined by a registered property valuer, Wind Power project proposed to be transferred to Mahalaxmi Fabric Mills Limited, the Resultant Company No. 1 and Textile Trading Undertakings in the Globale Tessile Limited , the Resultant Company No.2 at values as appearing as on the day immediately preceding the Appointed Date, pursuant to the scheme have been considered as the value of the assets annexed to the report as Annexure I.
3. Application of the valuation approach and methodology made hereinabove is made on the assurance from the management that the procedural formalities and other non-valuation related conditions essential for applicability of the relevant statutory provision or directives shall be complied with during the course of issue of the financial instrument for the purpose specified in this valuation report. Any non- compliance of the condition specified by the relevant authority shall invalidate the valuation approach and methods adopted hereinabove and in such circumstances the value recommended in this report shall no longer be valid.





4. Any change in the facts represented by the management and relied upon by the Registered Valuer, which is explicitly mentioned hereinabove, shall have material bearing on this valuation engagement. In such circumstances the value recommended in this report shall no longer be valid.

11 CONTINGENT AND LIMITING CONDITIONS

This valuation / appraisal is made subject to the following general contingent and limiting conditions:

1. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
2. The analyses, opinions, and conclusions presented in this report apply to this engagement only and may not be used out of the context presented herein. This report is valid only for the effective date specified herein and only for the purpose specified herein. The recommendation contained herein is not intended to represent value at any time other than the Valuation Date.
3. Public information, estimates, industry and statistical information contained in this report have been obtained from sources considered to be reliable. However, I have not independently verified such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources. This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date and (iii) are based on the data detailed in the section - Sources of Information.
4. We were provided with sufficient information and time to make our opinion for this valuation exercise. However, our opinion may change if any material information is not disclosed hidden from us during our valuation exercise.
5. Our scope is limited to recommendation of fair equity share entitlement ratio. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Demerger with the provisions of any law including the Companies Act 2013, Foreign Exchange Management Act,





1999, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from Proposed Demerger.

6. The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Accordingly, we express no audit opinion or any other form of assurance on this information on behalf of the Companies. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.
7. Further, this Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of the Companies. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us changes. Further events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
8. No investigation/inspection of the Companies' claim to the title of assets has been made for the purpose of this Report and the same has assumed to be valid. No consideration has been given to liens or encumbrances against such assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of legal nature.
9. We have no present or planned future interest in the Companies or any of their group companies.
10. The fee for this engagement is not contingent upon the outcome of the Report.
11. In rendering this Report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any





responsibility or liability in respect thereof.

12. The conclusion of value arrived at herein is based on the assumption that the current level of management expertise and effectiveness would continue to be maintained, and that the character and integrity of the enterprise through any sale, reorganization, exchange or diminution of the owner's participation would not materially or significantly changed.
13. Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it nor may it be used for any purpose by anyone other than those enumerated in this report without my written consent. This report and the conclusion of the value arrived at herein are for the exclusive use of the client for the sole and specific purposes as noted herein.
14. The report and the conclusion of the value are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever. The conclusion of value represents my considered opinion, based on information furnished to us by the client and other sources.
15. This Report does not in any manner address the prices at which equity shares of the Companies will trade following the announcement and/or implementation of the Proposed Demerger and we express no opinion or recommendation as to how the shareholders of the Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Demerger.
16. This valuation reflects the facts and conditions existing or reasonably foreseeable at the valuation date. Subsequent events have not been considered, and I have no obligation to update my report for such events and conditions.
17. My engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.
18. No change in any item in this valuation/conclusion report shall be made by anyone other than me and I shall have no responsibility for any such unauthorized change.
19. It is assumed that there is full compliance with all applicable central, state, and local environmental regulations and laws unless non-compliance is





stated, defined, and considered in the report.

20. Prospective financial information approved by management has been used in my work, I have not examined or compiled the prospective financial information and therefore, do not express an audit opinion or any other form of assurance on the prospective financial information or the related assumptions.
21. I have relied on the representations of the owners, management, and other third parties concerning the value and useful condition of all equipment, real estate instruments used in the business, and other assets or liabilities, except as specifically stated to the contrary in this report.

ENCL:

- Annexure I: Summary of Division wise Net worth as per audited accounts as on 31st March 2022
- Annexure II: Summary of Division wise Net worth as per audited accounts as on 31st December 2022
- Annexure III: Information required pursuant to SEBI Master circular





Annexure I: Summary of Division wise Net worth as per audited accounts as on 31st March
2022

MAHALAXMI RUBTECH LTD

Summary of Division wise Net worth as per audited accounts as on 31st March 2022

	TECHNICAL TEXTILE	TRADITIONAL TEXTILE	TRADING DIVISION	MRT STANDALONE
Particulars	TOTAL	TOTAL	TOTAL	G.TOTAL
Fix Assets	308115594	343553066	0	651668660
Investments	2116300	30000000	0	32116300
Other financial assets	2012279	6050075	0	8062354
Other Non Current Assets	0	250000	0	250000
	0	0		
Inventories	123693414	90503811	129841270	344038495
Interunit Balances	0	0	0	0
Receivables	69218970	140161342	84458671	293838983
Cash and Bank Balances	109131379	221503264	35292818	365927461
Loans & Other Financial assets	4853943	33735696	38681682	77271321
Other Current Assets	20184014	7121255	4250328	31555597
TOTAL	639325894	872878509	292524770	1804729172
Addition of Value of Land	0	530952500	0	530952500
TOTAL	639325894	1403831009	292524770	2335681672
Non Current Liabilities	119226703	91754592	13160357	224141651
Long Term Provision	0	0	0	0
Current Liabilities	212408750	438902470	159044134	810355354
TOTAL	331635453	530657062	172204491	1034497006
NET WORTH	307690441	873173947	120320279	1301184666
Present Equity	106202750	0	0	106202750
Proposed Equity	0	106202750	106202750	212405500
Reserve & Surplus	201487691	766971197	14117529	982576416
Total	307690441	873173947	120320279	1301184666





Annexure II: Summary of Division wise Net worth as per audited accounts as on 31st December 2022

MAHALAXMI RUBTECH LTD

Summary of Division wise Net worth as per audited accounts as on 31st December 2022

Particulars	TECHNICAL TEXTILE TOTAL	TRADITIONAL TEXTILE TOTAL	TRADING DIVISION TOTAL	MRT STANDALONE G.TOTAL
Fix Assets	301642911	313117369	0	614760280
Investments	2506011	3000000	0	32506011
Other financial assets	1805917	6050075	0	7855992
Other Non Current Assets	3810000	250000	0	4060000
	0	0		
Inventories	209922452	74498025	183189478	467609955
Interunit Balances	0	0	0	0
Receivables	66696226	154287208	128933743	349917177
Cash and Bank Balances	129629107	164553368	63647535	357830009
Loans & Other Financial assets	6678219	21103033	5427784	33209036
Other Current Assets	11767737	4452566	2571009	18791312
TOTAL	734458579	768311644	383769549	1886539772
Addition of Value of Land	0	530952500	0	530952500
TOTAL	734458579	1299264144	383769549	2417492272
Non Current Liabilities	68356113	60580457	4452271	133388841
Long Term Provision	0	0	0	0
Current Liabilities	257251837	442708684	232293711	932254232
TOTAL	325607950	503289141	236745982	1065643073
NET WORTH	408850629	795975003	147023567	1351849200
Present Equity	106202750	0	0	106202750
Proposed Equity	0	106202750	106202750	212405500
Reserve and surplus	302647879	689772253	40820817	1033240950
Total	408850629	795975003	147023567	1351849200





Annexure III:

Information required pursuant to SEBI Master circular

As mentioned earlier, upon implementation of the scheme, all the shareholders of Mahalaxmi Rubtech Limited would become shareholders of Mahalaxmi Fabric Mills Limited (MFL) and Globale Tessile Limited (GTL) on mirror image basis, therefore no change is going to take place in the management and control of the entities involved in the scheme.

The information required under the Master circular of SEBI No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 in para 4(d) dated November 23, 2021 and the Stock Exchanges on with equity of Mahalaxmi Rubtech Limited is listed is as follows:

Valuation Approach	MRT		MFL		GTL	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	10	100	10	100	10	100
Income Approach	NA	NA	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA	NA	NA
Relative Value Per Share	NA		NA		NA	
Share Entitlement Ratio	For every 1(One) Equity Share of Rs.10/- each held in Mahalaxmi Rubtech Limited		1 (One) fully paid Equity Share of Rs.10/- each in Mahalaxmi Fabric Mills Limited		1 (One) fully paid Equity Share of Rs.10/- each in Globale Tessile Limited.”	
N.A. stands for Not applicable / Not adopted						

