



SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED 31ST MARCH, 2024

OF

"MAHALAXMI FABRIC MILLS LIMITED"

(CIN: U17100GJ1991PLC015345)

Regi. Off. : "Mahalaxmi house", YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad, 380015

I Malay Truptesh Desai, proprietor of Malay Desai & Associates Practicing Company Secretary have examined:

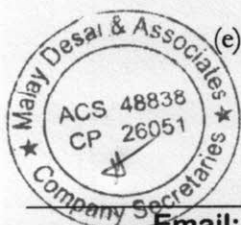
- (a) all the documents and records made available to me and explanation provided by **Mahalaxmi Fabric Mills Ltd** ("the Unlisted Public entity") during the conduct of audit of the company.
- (b) the filings/ submissions made by the Unlisted Public entity to the Stock Exchange **(NA)**,
- (c) website of the Unlisted Public entity,
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2024 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; **NA** and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI"); **NA**

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time; **NA**
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(N.A)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time; **N.A**
- (d) Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; **(NA)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(NA)**





- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(NA)**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time; **(NA)**
- (h) Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 **(NA)**
- (i) SEBI (Depositories and Participant) Regulations, 2018, as amended from time to time; and circulars/ guidelines issued thereunder; **(NA)**

Based on the above examination, I hereby report that, during the Period under review:

- 1 (a) The Unlisted Public entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, therefore no matter is required to be specified below:


Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

- (b)) The Unlisted Public entity has taken the following actions to comply with the observations made in previous reports: **Not Applicable**





2. Compliances related to resignation of statutory auditors from Unlisted Public entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	<p>If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	NA	
2.	Other conditions relating to resignation of statutory auditor		
	<p>i. Reporting of concerns by Auditor with respect to the Unlisted Public entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the Unlisted Public entity/material subsidiary such as non-availability of information / noncooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the Unlisted Public entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to</p>	NA	




	resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: a. The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the Unlisted Public entity/ its material subsidiary has not provided information as required by the auditor.	NA	
3.	The Unlisted Public entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	

3. We hereby report that, during the review period the compliance status of the Unlisted Public entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	Secretarial Standards: The compliances of the Unlisted Public entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118 (10) of the Companies Act, 2013 and mandatorily applicable.	Yes	The company has complied with the Secretarial Standards (SS) issued by Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118 (10) of the Companies Act, 2013 and mandatorily applicable.
2.	Adoption and timely updation of the Policies: All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Unlisted Public entities All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	NA	

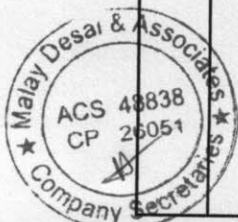




3.	<p>Maintenance and disclosures on Website:</p> <p>The Unlisted Public entity is maintaining a functional website</p> <p>Timely dissemination of the documents/information under a separate section on the website</p> <p>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website</p>	NA	
4.	<p>Disqualification of Director:</p> <p>None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the Unlisted Public entity.</p>	YES	None of the Director(s) of Company are Disqualified
5.	<p>Details related to Subsidiaries of Unlisted Public entities have been examined w.r.t:</p> <p>a) Identification of material subsidiary companies</p> <p>b) Disclosure requirement of material as well as other subsidiaries</p>	NA	
6.	<p>Preservation of Documents:</p> <p>The Unlisted Public entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	NA	
7.	<p>Performance Evaluation:</p> <p>The Unlisted Public entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	NA	
8.	<p>Related Party Transactions:</p> <p>(a) The Unlisted Public entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>(b) The Unlisted Public entity has</p>	NA	



	provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.		
9.	Disclosure of events or information: The Unlisted Public entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	NA	
10.	Prohibition of Insider Trading: The Unlisted Public entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	NA	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the Unlisted Public entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.	NA	
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	NA	
13	Additional Information, if any:	YES	The Hon'ble National Company Law Tribunal, Ahmedabad, Special Bench, Court-1, Vide Order No.:- C.P.(CAA)/57(AHM)2023 in C.A.(CAA)/47(AHM)2023, dated 04th March, 2024, has sanctioned the Scheme of Arrangements involving Demerger between Mahalaxmi Rubtech Limited (MRT) (CIN:- L25190GJ1991PLC016327) ("Demerged Company"); Mahalaxmi Fabric Mills Private Limited (Formerly known as "Sonnet Colours Pvt Ltd") (MFMP) (CIN:- U17100GJ1991PTC015345) ("First Resulting Company"); and Globale Tessile Private Limited (GTPL) (CIN:- U17299GJ2017PTC098506) ("Second Resulting Company") and their respective Shareholders and Creditors ("Scheme").





		<p>Effective date of the Scheme is 01st April, 2024.</p> <p>Pursuant to the Scheme becoming effective:-</p> <ul style="list-style-type: none">- Mahalaxmi Exports Private Limited, has ceased to become the Wholly Owned Subsidiary Company of Mahalaxmi Rubtech Limited and has become the Wholly Owned Subsidiary Company of Mahalaxmi Fabric Mills Limited.- Issued, subscribed and paid-up Share Capital, prior to the Scheme, amounting Rs. 5,00,000/- has been cancelled.- The Board of Directors of the Company, in its Board Meeting held on 29th April, 2024, issued and allotted 1,06,20,275 number of Equity Shares of Rs. 10/- each, credited as fully paid-up, to the Shareholders of the Demerged Company, as on the Record Date i.e. 19th April, 2024.- The Company has already applied for listing of the Equity Shares to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.
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Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Unlisted Public entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the Unlisted Public entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Unlisted Public entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the Unlisted Public entity.

Place: Ahmedabad

Date: 28.05.2024



For, Malay Desai & Associates
Company Secretary

MD Desai
Malay Desai
Proprietor
Membership No: A48838
COP: 26051
Peer Review: 3213/2023
UDIN: A048838F000468983