



May 15, 2021

To,

<b>BSE Limited</b> Department of Corporate Services, P. J. Towers, Dalal Street, Mumbai – 400 001 (Scrip Code-508933)	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 (Symbol : AYMSYNTAX)
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Dear Sir,

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, we wish to inform you that the Board of Directors of the Company at its meeting held today i.e. Saturday, 15<sup>th</sup> May 2021 has inter-alia, considered the following:

1. Approved Audited Financial Statements for the year ended March 31, 2021 and the Audited Financial Results for the quarter/ year ended March 31, 2021, as recommended by the Audit Committee.

Copy of the Audited Financial Results, Statutory Auditors Report is enclosed for your information and records. Same is also uploaded on the website of the Company [www.aymsyntax.com](http://www.aymsyntax.com).

We confirm that the Statutory Auditors of the Company have expressed an unmodified opinion on the Audited Financial Results of the Company for the quarter/ year ended March 31, 2021.

2. Based on the recommendation of Nomination and Remuneration Committee and subject to the approval of shareholders, Board has considered and approved the re-appointment of Mr. Abhishek Mandawewala ( DIN 00737785 ) as Managing Director & CEO of the Company for a period of three years w.e.f 1<sup>st</sup> August 2021 and fixation of his remuneration.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 along with the brief profile is given in Annexure A to this letter.

We hereby confirm that Mr. Abhishek Mandawewala is not debarred from holding the office of director pursuant to any order of SEBI or any such authority.

**AYM SYNTAX LTD | Formerly known as Welspun Syntex Limited**

The meeting of Board of Directors of the company commenced at 2.00 p.m and concluded at 6.50 p.m.

You are requested to take the same on record.

**For AYM Syntex Limited**

ASHITOSH SHETH  Digitally signed by ASHITOSH SHETH  
Date: 2021.05.15 18:53:54 +05'30'

**Ashitosh Sheth**  
**Company Secretary**  
**ACS: 25997**

**Annexure A**

The details required under Regulation 30 of the Listing Regulations, 2015:

<b>Name of the Director</b>	<b>Mr. Abhishek R Mandawewala</b>
<b>DIN</b>	00737785
<b>Reason for change viz. appointment, resignation, removal, death or otherwise</b>	Re-appointment of <b>Mr. Abhishek R Mandawewala</b> (DIN: 00737785), as Managing Director & CEO of the Company pursuant to end of his current term for a further period of three years w.e.f 1 <sup>st</sup> August 2021 to 31 <sup>st</sup> July 2024 (both days inclusive)
<b>Date of appointment / <del>cessation</del> (as applicable) &amp; term of appointment</b>	Period of three years w.e.f 1 <sup>st</sup> August 2021 to 31 <sup>st</sup> July 2024. He would not be liable to retire by rotation
<b>Brief profile</b>	He is B.A./M. Eng (Honours.) in Manufacturing Engineering from University of Cambridge and has experience in the field of steel and textiles for about seven years. He was an Executive Director in RMG Alloy Steel Limited from 4th September 2010 to 28th March 2013. Later, he worked as President (Advance Textile) in Welspun India Limited for more than two years. He is now Managing Director & CEO and looks out entire operation of the Company including marketing, production and expansion project of the Company.
<b>Disclosure of relationships between directors (in case of appointment of a director)</b>	Yes. Related to Mr. Rajesh Mandawewala, Chairman and Mrs. Khushboo Mandawewala, Whole time Director of the Company.

**ASHITOSH SHETH**

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SHETH  
Date: 2021.05.15 18:54:30 +05'30'

# Price Waterhouse Chartered Accountants LLP

## Independent Auditors' Report

### To the Members of AYM Syntex Limited

### Report on audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of AYM Syntex Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

4. We draw your attention to Note 49 to the financial statements which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) pandemic on the assets and liabilities of the Company as at March 31, 2021. In the view of the management, such an assessment is a continuous process given the uncertainty associated with the nature and duration of any disruptions arising from the pandemic. Our opinion is not modified in respect of this matter.

#### Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its Conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

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<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p data-bbox="246 342 763 426"><b>Assessment of realisability of Minimum Alternate Tax ('MAT') credit entitlement</b></p> <p data-bbox="246 426 649 489">(Refer note 7 and 34 of the financial statements)</p> <p data-bbox="246 510 771 741">Minimum Alternate Tax ('MAT') credit entitlement of Rs. 5,075.77 lakhs is carried forward from March 31, 2020 and Rs. 398.06 lakhs is recognized as an asset by crediting the Statement of Profit and Loss for the year ended March 31, 2021 and this balance classified under Deferred Tax Assets (net) in the balance sheet.</p> <p data-bbox="246 762 763 940">Entitlement of MAT credit is recognised to the extent there is convincing evidence that the Company will be able to utilise the said credit against normal tax payable during the period of fifteen years succeeding the year of filing of return of Income tax.</p> <p data-bbox="246 972 763 1224">We considered the realisability of MAT credit entitlement to be a key audit matter as the amount is material to the financial statements and there is significant management judgement involved while applying various assumptions in preparation of forecasts which mainly include future business growth rates and taxable profits.</p>	<p data-bbox="795 342 1453 405">To evaluate the realisability of MAT Credit entitlement, our procedures included the following:</p> <ul data-bbox="836 426 1469 1077" style="list-style-type: none"><li data-bbox="836 426 1469 520">• Understanding and evaluating the design and testing the operating effectiveness of the Company's controls over preparation of forecasts.</li><li data-bbox="836 541 1469 657">• Assessing the historical accuracy of the Company's Board approved forecasts by comparing the forecast approved in the previous year with the actual performance in the current year.</li><li data-bbox="836 678 1469 772">• Testing the mathematical accuracy of the underlying calculations and comparing the forecasts with the budgets approved by the Board of Directors.</li><li data-bbox="836 793 1469 940">• Assessing the reasonableness of assumptions used in the preparation of forecasts with external and internal factors including business and industry growth rates, and impact of COVID-19 and Company's past performance.</li><li data-bbox="836 961 1469 1077">• Applying sensitivity to the forecasts to assess whether the MAT credit carried as an asset would be utilised within the specified time period of fifteen years as stated earlier.</li></ul> <p data-bbox="795 1098 1461 1224">Based on the above procedures, we did not find any material exception to the Company's judgement in preparation of forecasts of future taxable profits for the assessment of realisability of the MAT credit entitlement.</p>

# Price Waterhouse Chartered Accountants LLP

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Key audit matter	How our audit addressed the key audit matter
<p><b>Assessment of indication of impairment and the recoverable amount (RA) of net carrying value of assets</b> (Refer note 2 (e) of the financial statements)</p> <p>The carrying amount of the entity's net assets exceeded the entity's market capitalisation requiring the Company's management to assess whether there is any indication of impairment to the net assets having carrying value of Rs. 51,545.46 lakhs as at March 31, 2021.</p> <p>Based on such indications, an impairment testing was performed by the Company's management in accordance with the requirements of Ind AS 36, Impairment of Assets. Management calculated the value in use of the assets applying the discounted cash flow method.</p> <p>This is a key audit matter, because of the significance of the carrying value of the assets of the Company and the estimation uncertainty in assumptions used for calculating the RA of the net assets such as future sales, discount rate, cost of materials and rate of growth over the estimation period.</p>	<p>Our audit procedures related to testing impairment of the carrying amount of net assets included the following:</p> <ul style="list-style-type: none"><li>• Understanding and evaluating the design and testing the operating effectiveness of controls for identification and assessment of any potential impairment, including determining the carrying amount and RA of the net assets.</li><li>• Assessing the historical accuracy of the Company's Board approved forecasts by comparing the forecast approved in the previous year with the actual performance in the current year.</li><li>• Using auditor's expert for testing appropriateness of the key assumptions like discount rate, terminal growth rate, method and model used for determining RA and mathematical accuracy of the calculation.</li><li>• Evaluating reasonableness of other key assumptions used in future cash flow projections such as future sales, Cost of materials, impact of COVID-19 and rate of growth over the estimation period.</li><li>• Performing sensitivity analysis over key assumptions to corroborate that RA is within a reasonable range.</li><li>• Assessing the appropriateness of the related presentation and disclosures in the financial statements.</li></ul> <p>Based on the above procedures performed, we did not note any material exceptions in the management's assessment of the RA of the net carrying value of assets.</p>

## Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises of Director's report, Management discussion and analysis, Corporate Governance Report and Secretarial Audit report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Managing Director & CEO's letter to shareholders, which is expected to be made available to us after that date.
7. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

# Price Waterhouse Chartered Accountants LLP

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8. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
9. When we read the Managing Director & CEO's letter to shareholders, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

## **Responsibilities of management and those charged with governance for the financial statements**

10. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

12. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# Price Waterhouse Chartered Accountants LLP

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on other legal and regulatory requirements**

17. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

# Price Waterhouse Chartered Accountants LLP

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(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements;

ii. The Company has long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Company did not have any long term derivative contracts as at March 31, 2021.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

19. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

**PANKAJ**  
**KHANDELIA**

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Date: 2021.05.15  
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Pankaj Khandelia  
Partner  
Membership Number: 102022  
UDIN: 21102022AAAABG3811

Place: Mumbai  
Date: May 15, 2021

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 18(f) of the Independent Auditors' Report of even date to the members of AYM Syntex Limited on the financial statements for the year ended March 31, 2021

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### Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of AYM Syntex Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 18(f) of the Independent Auditors' Report of even date to the members of AYM Syntex Limited on the financial statements for the year ended March 31, 2021

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### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 of the main audit report.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

**PANKAJ**  
**KHANDELIA**

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PANKAJ KHANDELIA  
Date: 2021.05.15  
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Pankaj Khandelia  
Partner  
Membership Number: 102022  
UDIN: 21102022AAAABG3811

Place: Mumbai  
Date: May 15, 2021

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 17 of the Independent Auditors' Report of even date to the members of AYM Syntex Limited on the financial statements as of and for the year ended March 31, 2021

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- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties as disclosed in Note 3(a) on Property Plant and Equipment and Note 3(b) on Right of use Assets to the financial statements, are held in the name of the Company, except for the following immovable properties whose title deeds are not held in the Company's name:

Nature of immovable property	Number of cases	Amount as at March 31, 2021 (Rs. in Lakhs)		Remarks
		Gross block	Net block	
Freehold land	1	4.63	4.63	Title is not transferred in the name of the Company
Residential Flats	6	14.85	9.48	Documents of title deeds not available with the Company

- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or, provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 17 of the Independent Auditors' Report of even date to the members of AYM Syntex Limited on the financial statements as of and for the year ended March 31, 2021

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- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including goods and service tax, provident fund, income tax, sales tax, service tax, duty of customs, employees' state insurance, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 38 to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, value added tax, duty of excise and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax, service tax and duty of customs as at March 31, 2021, which have not been deposited on account of a dispute, are as follows:

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount (Rs.in Lakhs)*</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>
The Income tax Act, 1961	Income tax	5.33	Assessment Years 2013-14 and 2014-15	Commissioner of Income Tax (Appeals), Mumbai
The Finance Act, 1994	Service Tax	1.95	Financial Years 2005-06 and 2006-07	Central Excise and Service Tax Appellate Tribunal, Ahmedabad
		111.92	Financial Year 2006-07	Commissioner CGST & CE, Vapi
		213.37	Financial Years 2007-08 to 2012-13	Commissioner CGST & CE, Vapi
		95.27	Financial Years 2013-14 and 2014-15	Commissioner CGST & CE, Vapi
		461.40	Financial Year 2014-15	Central Excise and Service Tax Appellate Tribunal, Ahmedabad
		62.10	Financial Year 2015-16	Commissioner CGST & CE, Vapi
		15.02	Financial Years 2015-16 to 2017-18	Commissioner (Appeal), CGST & CE, Surat

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 17 of the Independent Auditors' Report of even date to the members of AYM Syntex Limited on the financial statements as of and for the year ended March 31, 2021

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Name of the statute	Nature of dues	Amount (Rs. in Lakhs)*	Period to which the amount relates	Forum where the dispute is pending
The Customs Act, 1962	Duty of Customs	25.00	Financial Year 2013-14	Commissioner of Customs (Appeals), Mumbai
		64.26	Financial Year 2014-15	Commissioner of Customs (Appeal), Raigad

\* Net of amount paid under protest

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government. As the Company has not issued any debentures as at Balance Sheet date, the provisions of Clause 3(viii) of the Order, to that extent, are not applicable to the Company.

Further, in view of the extension of time granted vide Reserve Bank of India notifications RBI/2019-20/186 dated March 27, 2020 and RBI/2019-20/244 dated May 23, 2020 for the payment of interest and principal for term loans falling due between March 1, 2020 and August 31, 2020, the Company has availed the moratorium for payment of the aforesaid dues on term loans outstanding to Central Bank of India, Karur Vysya Bank, Industrial Development Bank of India and Bank of Baroda in terms of the aforesaid notifications of the Reserve Bank of India (Refer note 18).

- ix. In our opinion, and according to the information and explanations given to us, the money raised by way of term loans have been applied for the purposes for which they were obtained. As the Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments), the provisions of Clause 3(ix) of the Order, to that extent, are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Refer paragraph 19 of the Independent Auditor's Report on the financial statements.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 17 of the Independent Auditors' Report of even date to the members of AYM Syntex Limited on the financial statements as of and for the year ended March 31, 2021

Page 4 of 4

- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

**PANKAJ**  
**KHANDELIA**

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Pankaj Khandelia  
Partner  
Membership Number: 102022  
UDIN: 21102022AAAABG3811

Place: Mumbai  
Date: May 15, 2021



## AYM SYNTEX LIMITED

CIN: L99999DN1983PLC000045

Regd. Office : Survey No. 374/1/1, Saily, Silvassa -396230 (U.T. of Dadra & Nagar Haveli)  
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)	
		31 Mar 2021	31 Dec 2020	31 Mar 2020	31 Mar 2021	31 March 2020
<b>I</b>	<b>INCOME</b>					
a.	Revenue from operations	34,972	29,418	24,542	94,741	102,798
b.	Other income	154	44	71	281	337
	<b>Total income</b>	<b>35,126</b>	<b>29,462</b>	<b>24,613</b>	<b>95,022</b>	<b>103,135</b>
<b>II</b>	<b>EXPENSES</b>					
a.	Cost of raw materials consumed	20,727	15,089	13,057	51,474	57,228
b.	Changes in inventories of finished goods and goods-in-process	(2,200)	493	(429)	(1,692)	(707)
c.	Employee benefit expense	1,658	1,632	1,565	6,242	6,172
d.	Depreciation and amortization expense	1,037	1,068	1,118	4,270	4,478
e.	Other expenses	10,601	8,712	8,011	29,581	30,677
f.	Finance costs	846	817	896	3,409	3,824
	<b>Total expenses</b>	<b>32,669</b>	<b>27,811</b>	<b>24,218</b>	<b>93,284</b>	<b>101,672</b>
<b>III</b>	<b>Profit/(Loss) before exceptional items and tax (I - II)</b>	<b>2,457</b>	<b>1,651</b>	<b>395</b>	<b>1,738</b>	<b>1,463</b>
IV	Exceptional Items [Refer note 3]	-	-	-	-	(445)
<b>V</b>	<b>Profit/(Loss) before tax for the period (III - IV)</b>	<b>2,457</b>	<b>1,651</b>	<b>395</b>	<b>1,738</b>	<b>1,018</b>
<b>VI</b>	<b>Income tax expense</b>					
a.	Current tax	398	-	66	398	175
b.	Deferred tax	181	573	(563)	(69)	(898)
	<b>Total tax expense</b>	<b>579</b>	<b>573</b>	<b>(497)</b>	<b>329</b>	<b>(723)</b>
<b>VII</b>	<b>Profit/(Loss) for the period (V - VI)</b>	<b>1,878</b>	<b>1,078</b>	<b>892</b>	<b>1,409</b>	<b>1,741</b>
<b>VIII</b>	<b>Other comprehensive income</b>					
	Items that will not be reclassified to profit or loss					
a.	Remeasurements of post employment benefit obligations	(118)	24	(1)	(45)	(17)
b.	Income tax effect on above	42	(9)	1	16	6
	Other comprehensive income for the period (net of tax)	<b>(76)</b>	<b>15</b>	<b>-</b>	<b>(29)</b>	<b>(11)</b>
<b>IX</b>	<b>Total comprehensive income for the period (VII + VIII)</b>	<b>1,802</b>	<b>1,093</b>	<b>892</b>	<b>1,380</b>	<b>1,730</b>
X	<b>Paid up equity share capital (Face value of ₹ 10/- each)</b>	5,004	5,004	4,998	5,004	4,998
XI	<b>Other equity</b>				30,762	29,350
<b>XII</b>	<b>Earnings per share (not annualised for quarter)</b>					
	Basic (₹)	3.66	2.19	1.82	2.82	3.61
	Diluted (₹)	3.65	2.20	1.82	2.81	3.61

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**AYM SYNTEX LIMITED**

CIN: L99999DN1983PLC000045

Regd. Office : Survey No. 374/1/1, Saily, Silvassa -396230 (U.T. of Dadra & Nagar Haveli)  
**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2021**  
**STATEMENT OF ASSETS, EQUITY AND LIABILITIES**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
	(Audited)	
<b>ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Property, plant and equipment	41,318	43,599
(b) Capital work-in-progress	1,722	712
(c) Right-of-use assets	519	396
(c) Intangible assets	40	46
(d) Financial assets		
Other financial assets	99	36
(e) Income tax assets (net)	44	74
(f) Deferred tax assets (net)	3,674	3,590
(g) Other non-current assets	554	616
<b>Total non-current assets</b>	<b>47,970</b>	<b>49,069</b>
<b>2. Current assets</b>		
(a) Inventories	15,818	12,890
(b) Financial assets		
i. Trade receivables	10,002	11,397
ii. Cash and cash equivalents	702	173
iii. Bank balances other than cash and cash equivalents above	2,379	2,091
iv. Loans	40	50
v. Other financial assets	51	58
(c) Other current assets	6,534	5,754
<b>Total current assets</b>	<b>35,526</b>	<b>32,413</b>
<b>Total assets</b>	<b>83,496</b>	<b>81,482</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	5,004	4,998
(b) Other equity		
Reserves and Surplus	30,762	29,350
<b>Total equity</b>	<b>35,766</b>	<b>34,348</b>
<b>Liabilities</b>		
<b>1. Non-current liabilities</b>		
(a) Financial liabilities		
i. Borrowings	15,541	16,407
ii. Lease liabilities	250	249
(b) Employee benefit obligations	853	736
(d) Other non current liabilities	6	11
<b>Total non-current liabilities</b>	<b>16,650</b>	<b>17,403</b>
<b>2. Current liabilities</b>		
(a) Financial liabilities		
i. Borrowings	2,573	6,120
ii. Trade payables		
Dues to micro enterprises and small enterprises	1,186	1,133
Dues to creditors other than micro enterprises and small enterprises	20,427	17,583
iii. Other financial liabilities	5,287	3,834
iv. Lease liabilities	342	311
(b) Employee benefit obligations	757	333
(c) Other current liabilities	508	417
<b>Total current liabilities</b>	<b>31,080</b>	<b>29,731</b>
<b>Total liabilities</b>	<b>47,730</b>	<b>47,134</b>
<b>Total equity and liabilities</b>	<b>83,496</b>	<b>81,482</b>

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**AYM SYNTEX LIMITED**

CIN: L99999DN1983PLC000045

Regd. Office : Survey No. 374/1/1, Saily, Silvassa -396230 (U.T. of Dadra & Nagar Haveli)

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2021



**STATEMENT OF CASH FLOW**

(₹ in lakhs)

Particulars	Year ended March 31,	Year ended March 31,
	2021	2020
	<b>Audited</b>	
<b>Cash flow from operating activities</b>		
Profit before tax	1,738	1,018
<b>Adjustments for:</b>		
Depreciation and amortisation expense	4,270	4,478
Finance costs	3,409	3,824
Net unrealised foreign exchange (gain)/loss	61	(85)
Lease concessions	(74)	-
Share based expense	32	59
Loss / (Gain) on sale of investments (net)	(3)	(7)
Loss on sale/discard of property, plant and equipment (net)	247	66
Interest income	(151)	(173)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>9,529</b>	<b>9,180</b>
<b>Adjustments for changes in operating assets and liabilities:</b>		
(Increase) / decrease in inventories	(2,928)	(2,211)
(Increase) / decrease in trade receivables	1,240	(784)
Increase / (decrease) in trade payables	2,994	1,953
Increase / (decrease) in other current financial liabilities	21	16
Increase / (decrease) in employee benefit obligations	496	80
Increase / (decrease) in other current liabilities	91	37
Increase / (decrease) in other non-current liabilities	(5)	(5)
(Increase) / decrease in other current financial assets	10	106
(Increase) / decrease in other non-current financial assets	(63)	(17)
(Increase) / decrease in other non-current assets	108	340
(Increase) / decrease in other current assets	(1,120)	(658)
<b>Cash generated from operations</b>	<b>10,373</b>	<b>8,039</b>
<b>Income tax (paid)/ Net of refund</b>	<b>(368)</b>	<b>(122)</b>
<b>Net cash generated from operating activities</b>	<b>10,005</b>	<b>7,917</b>
<b>Cash flow from investing activities</b>		
Payment for property, plant, equipment and intangible assets	(2,420)	(2,370)
Proceeds from sale of property, plant and equipment	362	18
Realisation / (investment) in fixed deposit and margin money (net)	(288)	(149)
Sale / (Purchase) of Investment (net)	3	1,509
Interest received	158	145
<b>Net cash used in investing activities</b>	<b>(2,185)</b>	<b>(847)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares	6	7
Proceeds / (Repayments) of long term borrowings	(829)	(3,181)
Proceeds / (Repayments) of short term borrowings	(3,547)	(55)
Repayment of lease liabilities	(321)	(282)
Proceeds from Intercompany deposit	-	28
Finance costs paid	(2,600)	(3,744)
<b>Net cash used in financing activities</b>	<b>(7,291)</b>	<b>(7,227)</b>
<b>Net (decrease) / increase in Cash and cash equivalents</b>	<b>529</b>	<b>(157)</b>
Cash and cash equivalents at the beginning of the year	173	330
<b>Cash and cash equivalents at the end of the year</b>	<b>702</b>	<b>173</b>
<b>Non-cash investing/ financing activities</b>		
- Acquisition of right-of-use assets	395	608
-Conversion of Intercompany deposit to equity shares on exercise of warrants	-	2,428
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents comprise of:		
Cash on hand	22	38
Balance with banks in current accounts	680	135
<b>Cash and bank balances at the end of the year</b>	<b>702</b>	<b>173</b>

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## AYM SYNTEX LIMITED

CIN: L99999DN1983PLC000045

Regd. Office : Survey No. 374/1/1, Saily, Silvassa -396230 (U.T. of Dadra & Nagar Haveli)

### Notes:

- 1 The above financial results were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on May 15, 2021.
- 2 These financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, to the extent applicable.
- 3 Exceptional item represents amounts paid/ adjusted towards settlement of indirect tax cases opted under Sabka Vishwas (Legacy Dispute Resolution Scheme), 2019 ('SVLDRS'). The Company has obtained discharge certificates for full and final settlement under SVLDRS.
- 4 The operations of the Company were impacted during the year on account of Covid 19 pandemic, however, the Company had taken adequate measures to curb the spread of COVID-19 to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing and sanitization of workspaces during the year at factory and office locations. The Company has also evaluated the impact of this pandemic on its business operations and the financial position and made an assessment of its liquidity position and the recoverability and carrying values of its assets as at the balance sheet date and has concluded that there are no adjustments required in the financial statements for the year ended March 31, 2021. Even though the Company is adequately prepared to tackle further disruptions in the business environment on account of Covid 19, the assessment of the extent and duration of the underlying impact on the business environment is a continuous process given the uncertainty associated with its nature and duration.
- 5 The Company is engaged only in the business of "Synthetic Yarn" and therefore, has only one reportable segment in accordance with the Ind AS 108 - 'Operating Segments'.
- 6 Figures for the quarter ended March 31, 2021 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures upto the end of the third quarter were subjected to review.

**For and on behalf of Board of Directors**

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Place : Mumbai  
Date : May 15, 2021.

**Abhishek Mandawewala**  
Managing Director & CEO  
DIN : 00737785