

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

### To the Members of AYM Syntex Limited

### Report on the 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, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### 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

#### Key audit matters

4. 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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Key audit matter	How our audit addressed the key audit matter
<p><b>Assessment of realisability of Minimum Alternate Tax ('MAT') credit entitlement</b> (Refer note 8 and 36 of the financial statements)</p> <p>The Balance of Minimum Alternate Tax ('MAT') credit entitlement classified under Deferred Tax Assets (net) in the balance sheet as on March 31, 2022 is Rs. 6074.16 lakhs.</p> <p>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. Thus, the deferred tax asset is recognised to the extent it is recoverable based on the Company's probable taxable profits in the forthcoming years.</p> <p>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 expected taxable profits.</p>	<p>To evaluate the realisability of MAT Credit entitlement, our procedures included the following:</p> <ul style="list-style-type: none"><li>• Understood and evaluated the design and tested the operating effectiveness of the Company's controls over preparation of forecasts.</li><li>• Assessed the historical accuracy of the Company's Board approved forecasts by comparing the forecast approved in the prior year with the actual performance in the current year.</li><li>• Tested the mathematical accuracy of the underlying calculations and compared the forecasts with the budgets approved by the Board of Directors.</li><li>• Assessed the reasonableness of assumptions used in the preparation of forecasts with external and internal factors including business and industry growth rates, impact of COVID-19 and the Company's past performance.</li><li>• Applied sensitivity to the forecasts to assess whether the MAT credit carried as an asset would be utilised by the Company within the permitted remaining time period.</li></ul> <p>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>

## Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including annexures to the Director's report, Management discussion and analysis and Managing Director & CEO's letter to shareholders, but does not include the financial statements and our auditor's report thereon.

The Director's report including annexures to the Director's report, Management discussion and analysis were obtained prior to the date of this auditor's report. However, the Managing Director & CEO's letter to shareholders is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Director's report including annexures to the Director's report, and Management discussion and analysis and, in doing so, consider whether it 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, 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.

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In connection with our audit of the financial statements, our responsibility is to also read the Managing Director & CEO's letter to shareholders when it becomes available and, in doing so, consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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**

6. 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.
7. 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**

8. 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.
9. 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.

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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.
10. 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.
  11. 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.
  12. 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**

13. As required by the Companies (Auditor's Report) Order, 2020 ("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 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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 the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 (as amended), 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 40 to the financial statements;
  - ii. The Company has long-term contracts as at March 31, 2022 for which there were no material foreseeable losses. The Company did not have any long term derivative contracts as at March 31, 2022.
  - iii. The instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022 are as follows:
    - (a) Unclaimed preference dividend of Rs. 0.16 lakhs was due to be transferred to the Investor Education and Protection Fund on November 30, 2021, was transferred subsequent to the year end on April 28, 2022.
    - (b) Redemption amount of preference shares of Rs. 0.21 lakhs was due to be transferred to the Investor Education and Protection Fund on November 30, 2021, was transferred subsequent to the year end on April 28, 2022.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50(a) to the financial statements);  
  
(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50(a) to the financial statements);  
and

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(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

15. 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

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Pankaj Khandelia  
Partner  
Membership Number: 102022  
UDIN: 22102022AIOCOG9623

Place: Mumbai  
Date: May 07, 2022

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 14(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, 2022.

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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, 2022 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 14(f) of the Independent Auditors' Report of even date to the members of AYM Syntax Limited on the financial statements for the year ended March 31, 2022.

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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, 2022, 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.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

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Pankaj Khandelia

Partner

Membership Number : 102022

UDIN : 22102022AIOCOG9623

Mumbai

May 07, 2022



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 13 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, 2022  
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- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment 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 all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) 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:

<b>Description of property</b>	<b>Gross carrying value</b>	<b>Held in the name of</b>	<b>Whether promoter, director or their relative or employee</b>	<b>Period held - indicate range, where appropriate</b>	<b>Reason for not being held in the name of the Company</b>
Freehold Land	Rs. 4.63 lakhs	Mr. Mulji Ravji Bhagat, Mr. Harji Ravji Bhagat and others.	No	Since March 31, 2003	Under process of name change
Residential Flats	Rs. 14.85 lakhs	Documents of title deeds are not traceable	No	Since September 30, 1998	Documents of title deeds are not traceable

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

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- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. 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 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also refer Note 50(a) to the financial statements)
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the 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 Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits 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.
- 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 generally regular in depositing the undisputed statutory dues in respect of Income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 40 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 statutory dues of sales tax, value-added tax, excise duty 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 customs duty referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

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Referred to in paragraph 13 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, 2022

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<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
		15.03	Financial Years 2015-16 to 2017-18	Commissioner (Appeal), CGST & CE, Surat
		The Customs Act, 1962	Duty of Customs	25.00
64.26	Financial Year 2014-15			Commissioner of Customs (Appeal), Raigad

\*Net of amount paid under protest

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- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) 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 other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 50(a) to the financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses ix(e) are not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses ix(f) are not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) 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, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

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- (c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- 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 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.  
  
(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.  
  
(b) The Company has not conducted non-banking financial activities or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.  
  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.  
  
(d) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses xvi(d) are not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

**Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 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, 2022

Page 6 of 6

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- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 50(b) to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

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Pankaj Khandelia  
Partner  
Membership Number : 102022  
UDIN : 22102022AIOCOG9623

Mumbai  
May 07, 2022



## 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, 2022

(₹ in Lakhs)

Sr. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)	
		31 Mar 2022 (refer note 6)	31 Dec 2021	31 Mar 2021 (refer note 6)	31 Mar 2022	31 Mar 2021
<b>I</b>	<b>INCOME</b>					
a.	Revenue from operations	40,531	40,089	34,972	149,146	94,741
b.	Other income	211	6	154	436	281
	<b>Total income</b>	<b>40,742</b>	<b>40,095</b>	<b>35,126</b>	<b>149,582</b>	<b>95,022</b>
<b>II</b>	<b>EXPENSES</b>					
a.	Cost of raw materials consumed	24,213	24,133	20,727	87,863	51,474
b.	Changes in inventories of finished goods and goods-in-process	(347)	(1,004)	(2,200)	(2,467)	(1,692)
c.	Employee benefit expense	1,535	1,691	1,658	6,458	6,242
d.	Depreciation and amortization expense	1,370	1,280	1,037	5,056	4,270
e.	Other expenses	10,812	10,848	10,601	41,121	29,581
f.	Finance costs	953	904	846	3,594	3,409
	<b>Total expenses</b>	<b>38,536</b>	<b>37,852</b>	<b>32,669</b>	<b>141,625</b>	<b>93,284</b>
<b>III</b>	<b>Profit/(Loss) before tax for the period (I - II)</b>	<b>2,206</b>	<b>2,243</b>	<b>2,457</b>	<b>7,957</b>	<b>1,738</b>
<b>IV</b>	<b>Income tax expense</b>					
a.	Current tax	395	393	398	1,404	398
b.	Deferred tax	414	413	181	1,472	(69)
	<b>Total tax expense</b>	<b>809</b>	<b>806</b>	<b>579</b>	<b>2,876</b>	<b>329</b>
<b>V</b>	<b>Profit/(Loss) for the period (III - IV)</b>	<b>1,397</b>	<b>1,437</b>	<b>1,878</b>	<b>5,081</b>	<b>1,409</b>
<b>VI</b>	<b>Other comprehensive income</b>					
	Items that will not be reclassified to profit or loss					
a.	Add: Remeasurements of post employment benefit obligations	(1)	7	(118)	20	(45)
b.	Less: Income tax effect on above	0	(2)	42	7	16
	Other comprehensive income for the period (net of tax)	<b>(1)</b>	<b>5</b>	<b>(76)</b>	<b>13</b>	<b>(29)</b>
<b>VII</b>	<b>Total comprehensive income for the period (V + VI)</b>	<b>1,396</b>	<b>1,442</b>	<b>1,802</b>	<b>5,094</b>	<b>1,380</b>
<b>VIII</b>	<b>Paid up equity share capital (Face value of ₹ 10/- each)</b>	<b>5,015</b>	<b>5,015</b>	<b>5,004</b>	<b>5,015</b>	<b>5,004</b>
<b>IX</b>	<b>Other equity</b>				<b>35,982</b>	<b>30,762</b>
<b>X</b>	<b>Earnings per share (not annualised for quarter)</b>					
	Basic (₹)	2.79	2.86	3.66	10.14	2.82
	Diluted (₹)	2.75	2.82	3.65	10.01	2.81

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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, 2022  
STATEMENT OF ASSETS, EQUITY AND LIABILITIES

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Property, plant and equipment	44,229	41,318
(b) Capital work-in-progress	1,637	519
(c) Right-of-use assets	1,495	1,722
(c) Intangible assets	32	40
(d) Financial assets		
i. Loans	55	11
ii. Other financial assets	229	88
(e) Income tax assets (net)	109	108
(f) Deferred tax assets (net)	2,195	3,675
(g) Other non-current assets	643	554
<b>Total non-current assets</b>	<b>50,624</b>	<b>48,035</b>
<b>2. Current assets</b>		
(a) Inventories	18,829	15,818
(b) Financial assets		
i. Trade receivables	11,191	10,002
ii. Cash and cash equivalents	385	702
iii. Bank balances other than cash and cash equivalents above	1,689	2,379
iv. Loans	60	40
v. Other financial assets	31	51
(c) Other current assets	9,856	6,534
<b>Total current assets</b>	<b>42,041</b>	<b>35,526</b>
<b>Total assets</b>	<b>92,665</b>	<b>83,561</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	5,015	5,004
(b) Other equity		
Reserves and Surplus	35,982	30,762
<b>Total equity</b>	<b>40,997</b>	<b>35,766</b>
<b>Liabilities</b>		
<b>1. Non-current liabilities</b>		
(a) Financial liabilities		
i. Borrowings	14,668	15,541
ii. Lease Liabilities	947	250
ii. Other financial liabilities	503	-
(b) Employee benefit obligations	807	853
(c) Other non current liabilities	1	6
<b>Total non-current liabilities</b>	<b>16,926</b>	<b>16,650</b>
<b>2. Current liabilities</b>		
(a) Financial liabilities		
i. Borrowings	12,654	6,486
ii. Lease liabilities	699	342
iii. Trade payables		
Dues to micro enterprises and small enterprises	1,905	1,186
Dues to creditors other than micro enterprises and small enterprises	16,289	20,427
iv. Other financial liabilities	1,140	1,374
(b) Employee benefit obligations	738	757
(c) Income tax liabilities (net)	582	65
(d) Other current liabilities	735	508
<b>Total current liabilities</b>	<b>34,742</b>	<b>31,145</b>
<b>Total liabilities</b>	<b>51,668</b>	<b>47,795</b>
<b>Total equity and liabilities</b>	<b>92,665</b>	<b>83,561</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, 2022**  
**STATEMENT OF CASH FLOW**

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Audited	
<b>Cash flows from operating activities</b>		
Profit / (Loss) before tax	7,957	1,738
<b>Adjustments for:</b>		
Depreciation and amortisation expense	5,056	4,270
Finance costs	3,594	3,409
Net unrealised foreign exchange loss	(29)	60
Gain on lease modification	-	(74)
Share based payment expense	125	32
Loss / (Gain) on sale of investments (net)	(4)	(3)
Loss on sale/discard of property, plant and equipment (net)	234	247
Interest income	(90)	(151)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>16,843</b>	<b>9,528</b>
<b>Adjustments for changes in operating assets and liabilities:</b>		
(Increase) / decrease in inventories	(3,011)	(2,928)
(Increase) / decrease in trade receivables	(1,190)	1,240
Increase / (decrease) in trade payables	(3,389)	2,994
Increase / (decrease) in other current financial liabilities	7	21
Increase / (decrease) in employee benefit obligations	(45)	496
Increase / (decrease) in other current liabilities	227	92
Increase / (decrease) in other non-current liabilities	(5)	(5)
(Increase) / decrease in Loans and other financial assets	(228)	(53)
(Increase) / decrease in other current and non-current assets	(3,314)	(1,012)
<b>Cash generated from/ (used in) operations</b>	<b>5,895</b>	<b>10,374</b>
<b>Income tax paid (Net of refunds)</b>	<b>(887)</b>	<b>(368)</b>
<b>Net cash generated from/ (used in) operating activities</b>	<b>5,008</b>	<b>10,006</b>
<b>Cash flows from investing activities</b>		
Payment for property, plant, equipment and intangible assets	(6,530)	(2,420)
Proceeds from sale of property, plant and equipment	27	362
Realisation / (investment) in fixed deposit and margin money (net)	690	(288)
Sale of Investment (net)	4	3
Interest received	110	158
<b>Net cash used in investing activities</b>	<b>(5,699)</b>	<b>(2,186)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares	12	6
Proceeds / (Repayments) of long term borrowings	(488)	(829)
Proceeds / (Repayments) of short term borrowings	4,888	(3,547)
Principal elements of lease payments	(444)	(270)
Finance costs paid	(3,594)	(2,651)
<b>Net cash generated from/ (used in) from financing activities</b>	<b>374</b>	<b>(7,291)</b>
<b>Net (decrease) / increase in Cash and cash equivalents</b>	<b>(317)</b>	<b>529</b>
Cash and cash equivalents at the beginning of the year	702	173
<b>Cash and cash equivalents at the end of the year</b>	<b>385</b>	<b>702</b>
<b>Non-cash investing/ financing activities</b>		
- Acquisition of right-of-use assets	1,534	395
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents comprise of:		
Cash on hand	14	23
Balance with banks in current accounts	371	680
<b>Cash and bank balances at the end of the year</b>	<b>385</b>	<b>702</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, 2022

#### 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 07, 2022.
- 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 The Company has evaluated the possible effects of Covid-19 in preparation of these financial statements for the year ended March 31, 2022 including recoverability of assets and assessment of its liquidity position and has concluded that there are no adjustments required in the financial statements.
- 4 The Nomination and Remuneration Committee of the Board of Directors of the Company at the meeting held on January 29, 2022 have decided to grant 390,000 stock options to eligible employees of the Company in accordance with the terms and conditions of the ESOP scheme named "AYM Employee Stock Option Scheme 2021" as approved by the shareholders of the Company.
- 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, 2022 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 limited review by the Statutory auditor.

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

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Date: May 07, 2022

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