

## NOTICE

To,

The Members

**NOTICE** is hereby given that the 36<sup>th</sup> Annual General Meeting of **AYM Syntex Limited** will be held on Thursday, 19<sup>th</sup> September 2019 at 12.00 Noon at its Registered Office at Plot No. 1, Survey no. 394(P), Village Saily, Silvassa-396230, U.T of Dadra & Nagar Haveli to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2019 and the Audited Profit and Loss Account for the year ended on that date.
2. To appoint a Director in place of Mr. Rajesh R Mandawewala (DIN:00007179), who retires by rotation, and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### **Appointment of Mrs. Khushboo Mandawewala as a Director**

3. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of section 152, 160 and applicable provisions of the Companies Act, 2013 and Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including statutory modification or re-enactment thereof for the time being in force, Mrs. Khushboo Mandawewala (DIN 06942156), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company, proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”

#### **Appointment of Mrs. Khushboo Mandawewala as a Whole-Time Director**

4. **To appoint Mrs. Khushboo Mandawewala as a Whole-time Director and in this regard, pass the following resolution as a Special Resolution:**

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association of the Company, subject to approval of the Central Government / Regional Director, if any, and such other consents and permission as may be necessary, and subject to such modifications, variations as may be approved and acceptable, approval of the members be and is hereby accorded to appoint Mrs. Khushboo Mandawewala (DIN 06942156), as a Whole-time Director, designated as Executive Director of the Company, whose office will be liable to determination by retirement by rotation, for a period of 3 (Three) years with effect from July 29, 2019, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include any Committee(s) constituted / to be constituted by it for this purpose) to alter and vary the terms and conditions of the said appointment and /or remuneration as it may deem fit;

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the currency of tenure of the appointment, the Whole Time Director shall be paid salary, perquisites and other allowances as set out in Explanatory Statement, as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government / Regional Director, if so required, in accordance with the provisions of the Companies Act, 2013.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to alter and vary the terms and





conditions to the said appointment to the extent the Board may consider appropriate and as may be agreed to between the Board and Mrs. Khushboo Mandawewala.”

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### **Amendment of the AYM ESOP Scheme 2018**

5. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”), issued by the Securities and Exchange Board of India (“SEBI”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the members of the Company be and is hereby accorded to amend the ‘AYM Syntex Limited - Employees Stock Option Plan 2018’ (hereinafter referred to as the “AYM ESOP SCHEME 2018”) for compliance with the requirements under applicable laws by revising clause of “Treatment of options” of AYM ESOP Scheme 2018 as under:

- a. Treatment of lapse of options: All lapsed options granted to the grantee shall stand cancelled and will be available for re-issue.
- b. Treatment of Cancelled/Forfeited options: All unvested unexercised options which are cancelled/forfeited will be available for re-issue.

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things, as may, at its absolute discretion, deem necessary including authorizing or directing the Nomination and Remuneration Committee for

effective implementation and administration of the AYM ESOP SCHEME 2018 as also to prefer applications to the appropriate Authorities, Parties and Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/ BSE Limited/National Stock Exchange of India, and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

“**RESOLVED FURTHER THAT** it is hereby noted that the amendments to the Scheme are not prejudicial to the interests of the option holders.”

**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and is/are hereby authorised severally to do all such acts, deeds, matters and things as may be necessary to implement this resolution.”

#### **Ratification of Remuneration to Cost Auditor**

6. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), payment of remuneration of Rs. 1,10,000/- to M/s. Kiran J Mehta & Co., the Cost Accountant (Registration Number: 000025) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2020, be and is hereby ratified and approved.”

By order of the Board

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

Place: Mumbai

Date: 29th July 2019

## NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.
2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 Hours before the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable.

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. A statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special business to be transacted at the meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
6. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. The Register of Members of the Company will remain closed from Monday, 16th September 2019 to Wednesday, 18th September 2019, both days inclusive.
8. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('the Listing Regulations'), as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission

or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or its RTA, M/s. Link Intime India Private Limited ('Link Intime') for the same. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants (DPs) with whom they maintain their demat accounts. Members holding shares in physical form are requested to submit their PAN to Link Intime.

9. Pursuant to the provisions of Sections 101 and 136 of the Act read with the Companies (Accounts) Rules, 2014, electronic copy of the Annual Report for the financial year 2018-19 is being sent to those Members whose email IDs are registered with their respective Depository Participants (DPs), the Company or its Registrar and Transfer Agents, viz Link Intime India Private Limited, unless any Member has requested for a hard copy of the same. Those members who have not got their email address registered or wish to update a fresh email address, may promptly intimate the same to respective DPs or to the Company/its Registrar and Transfer Agents, as the case may be.

Physical copies of the Annual Report for the financial year 2018-19 will be sent through the permitted mode in cases where the email addresses are not available with the Company.

The Annual Report along with the Notice of the Annual General Meeting is available on the website of the Company, [www.aymsyntax.com](http://www.aymsyntax.com).

10. The Notice for Annual General Meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon upto the date of Annual General Meeting. The Notice shall also be available on the Company's website at [www.aymsyntax.com](http://www.aymsyntax.com)
11. The businesses mentioned in this Notice may be transacted through electronic voting system; the process, manner and other related details are as under:





- i. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company is pleased to provide members facility to exercise their right to vote at the 36<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). The e-voting facility is available at the link <https://www.evoting.nsdl.com>
- ii. Members holding shares either in physical form or in dematerialized form, as on the close of business on Thursday, 12<sup>th</sup> September 2019, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. Any person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- iii. The facility for voting through ballot paper shall be made available at the General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iv. The members who have cast their vote by remote e-voting prior to the General Meeting may also attend the General Meeting but shall not be entitled to cast their vote again.

- v. Initial password shall be given in the following format of attendance slip for the AGM

EVEN (E-voting event number)	User ID	Password / PIN
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. The e-voting facility will be available during the following voting period:		
Commencement of e-voting	End of e-voting	
Monday, 16 <sup>th</sup> September 2019	Wednesday, 18 <sup>th</sup> September 2019	

- vi. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the Cut-off Date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.

Please read the instructions before exercising the vote.

These details and instructions form integral part of the Notice for the Annual General Meeting to be held on 19<sup>th</sup> September 2019.

## INSTRUCTIONS FOR E-VOTING

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
  - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.





8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Members may participate in AGM even after exercising his right to vote through remote E-voting but shall not be allowed to vote again at AGM.
5. A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the Depositories as on the cut off date only shall be entitled to avail the facility of remote E-voting as well as voting at AGM.
6. Now you are ready for e-Voting as the Voting page opens.
7. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
8. Upon confirmation, the message “Vote cast successfully” will be displayed.
9. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
10. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company secretary/compliance officer by e-mail to [allcompanysecretaryofaymsl@aymgroup.com](mailto:allcompanysecretaryofaymsl@aymgroup.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com.in](http://www.evoting.nsdl.com.in) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
4. Mr. A. L. Makhija, Company Secretary in whole time practice has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
5. The result of voting shall be declared by the Chairman of the meeting on or after AGM of the Company. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.aymsyntex.com](http://www.aymsyntex.com) and will be communicated to the Stock Exchanges at which shares of the Company are listed.

By order of the Board

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

Place: Mumbai  
Date: 29th July 2019

**Registered Office of the Company:**

Plot no.1, Survey no.394 (P), Village Saily, Silvassa 396230,  
U.T of Dadra & Nagar Haveli  
Contact No.  
Tel.: 91 022 61637000, Fax: 91 022 24937725,  
E-mail: [allcompanysecretaryofaymsl@aymgroup.com](mailto:allcompanysecretaryofaymsl@aymgroup.com)

## EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 3 & 4

On recommendation of Nomination and Remuneration Committee, Board of Directors of the Company, subject to approval of the Members, has appointed Mrs. Khushboo Mandawewala as an Additional Director of the Company with effect from 29<sup>th</sup> July 2019 for the term of 3 years. In terms of the provisions of Section 161(1) of the Act, Mrs. Khushboo Mandawewala would hold office only up to the date of the ensuing Annual General Meeting.

The Board considers that keeping in view wide range of experience of Mrs. Khushboo Mandawewala, her appointment and continuance with the Company would be guide to the Board and benefit to the Company and it is desirable to avail her service as a Director. The proposed appointment of Mrs. Khushboo Mandawewala is in the category of 'Non independent and Executive'.

Mrs. Khushboo Mandawewala is also a Whole Time Director of Mandawewala Enterprises Limited (Holding company) w.e.f 25<sup>th</sup> October 2017. However, she is not drawing any remuneration from Mandawewala Enterprises Limited.

The Company has received from Mrs. Khushboo Mandawewala, the consent to act as a director, necessary disclosures, notice for candidature, confirmation etc. in relation to the aforesaid appointment pursuant to the applicable provisions of the Companies Act 2013 and Rules thereunder.

Mrs. Khushboo Mandawewala is not disqualified from being appointed as Director in terms of applicable provision of section 164 of the Companies Act 2013.

### Information pursuant to Schedule V of the Companies Act, 2013

#### GENERAL INFORMATION:

- 1) Nature of industry – Textile
- 2) Financial performance based on given indicators –

(₹ in Lakhs)

Particulars	2018-19	2017-18
Revenue from operations (net of excise*)	99198.16	85041.57
Other Income	590.14	558.95
<b>Total revenue</b>	<b>99788.30</b>	<b>85600.52</b>
<b>EBIDTA</b>	<b>7751.51</b>	<b>6933.77</b>
<b>EBIDTA Margin (%)</b>	<b>7.81</b>	<b>8.15</b>
Finance Costs	3442.56	2792.76
Depreciation and amortization expense	3760.97	3297.38
<b>Profit before tax</b>	<b>547.98</b>	<b>843.63</b>
Current Tax	105.93	182.70
Deferred tax	(144.10)	(139.12)
<b>Profit after tax</b>	<b>586.15</b>	<b>800.05</b>
Other comprehensive income for the year, net of tax	(2.79)	(5.87)
<b>Total comprehensive income for the year</b>	<b>583.36</b>	<b>794.18</b>
Earning per share (Basic & Diluted) (₹)	1.29	2.02

\*Revenue from operations includes other operative income.





## **INFORMATION ABOUT THE APPOINTEE:**

### **1) Background details:**

Mrs. Khushboo Mandawewala is Entrepreneurial, Hardworking & Execution focused. She joined the Company as General Manager (Corporate Social Responsibility) w.e.f 10.10.2015 and is now heading Human Resources, Corporate Communication and Administration department.

### **2) Past Remuneration:**

She was drawing salary of ₹ 30,00,000 per annum from the Company.

### **3) Job profile and his suitability:**

**Job profile:** She looks after entire Corporate Communication, Human Resources, Corporate Social responsibility activities and Administrative operations of the Company such as the creation and development of print and online advertising, annual reports, website management and content development, press releases, bylined articles, corporate videos and marketing collateral, RFP review and development, marketing budget development and cost tracking. She is also responsible for executing Company's CSR vision.

#### **Suitability:**

She has completed Bachelors of Engineering in Information Technology from D J Sanghvi, College of Engineering in the year 2009. Started her journey as a software engineer in 2010. Joined Welspun India in 2012 as part of their CSR team. With a major focus on women empowerment & healthcare, she played a key role in conceptualizing and implementing a sustainable income-generating program for women in cutting and stitching home textiles and a primary health care program through mobile health vans across target locations. Appointed as General manager (Corporate Social Responsibility) and also heading Human Resources and Administration department. She is also responsible for executing Company's CSR vision to uplift the underprivileged from the vicious cycle of poverty and working towards 4S mission towards Sudhar (Rural Development), Swasthya (Water, Sanitation, Health & Hygiene), Swabhiman (Education), Srishti (Environmental Restoration).

### **4) Remuneration proposed:**

₹ 60,00,000/- per annum inclusive of all perquisites and allowances computed in the manner laid down

under Section 198 of the Companies Act, 2013 and as per the maximum limit specified in Schedule V of Section 196 & 197 of the Companies Act, 2013 except that the remuneration of the directors shall not be deducted from the gross profits.

### **5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:**

Looking to her education, experience in the field of textiles, size of the company, the proposed remuneration is justified to retain the managerial person.

### **6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

She is relative of Mr. Abhishek R Mandawewala, Managing Director & CEO of the Company and Mr. R. R. Mandawewala, the Chairman of the Company. Further, she has no pecuniary relationship with the Company except as a Head HR & Corporate Communication of the Company. She does not hold any equity shares of the Company.

## **OTHER INFORMATION:**

### **i. Reason of loss or inadequate profits**

The fluctuation in price of raw material which could not be passed to customers, delay in planned capacity expansion.

### **ii. Steps taken for improvement**

The Company has expanded its capacity into high value added products and are in process of improving the product sales mixes.

### **iii. Expected increase in productivity and profits in measurable terms**

In view of expansion undertaken by the Company, the Company expects to increase productivity in textile and BCF yarn which may lead to increase in margin of profits. The Company has also undertaken cost optimization initiatives which benefits will be crystalized in coming years.

### **iv. Disclosures**

The disclosures relating to remuneration package of all directors with details of fixed components, performance link incentives, service contract etc. are mentioned in the attached Corporate Governance report, part of Directors report.

**v. Directorship in other companies:**

She is director in Mandawewala Enterprises Limited, Totsol Commercial Private Limited and Mertz Estates Limited.

Membership/Chairmanship of committees in other Companies: Nil

No. of meetings attended: NA, since she is appointed as Additional Executive director w.e.f 29<sup>th</sup> July 2019.

The Board recommends the Resolutions set out in Item No. 3 & 4 of the Notice for approval of the shareholders.

Disclosure as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings is given as Annexure to this explanatory statement.

Mrs. Khushboo Mandawewala being appointee is interested in the resolutions set out in the Notice with regard to his appointment. The appointee and her relatives may be deemed to be interested in the resolutions to the extent of their shareholding interest, if any, in the Company.

Except as mentioned above, none of the Directors and key managerial personnel of the Company and their relatives is interested or concerned, financial or otherwise, in the resolutions for the above matter.

**ITEM NO.5**

The shareholders at their Extra-ordinary General Meeting held on Wednesday, 28<sup>th</sup> February 2018 have approved AYM Syntex Limited - Employees Stock Option Plan 2018' (AYM ESOP Scheme 2018) to grant 9,80,989 options to permanent employees including directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company).

Accordingly, the Company had granted 7,81,700 options to its Key employees on 13<sup>th</sup> August 2018.

AYM ESOP Scheme 2018, had following provision on treatment of lapsed options:

"All lapsed options granted to the grantee shall stand cancelled / forfeited and will not be available for re-issue"

The intentions of the Management is to give full benefit of the AYM ESOP Scheme 2018 to its employees and also cover more Key employees under the said scheme going forward. Considering the above and post consultation with various stakeholders, Management is of the opinion that, the cancelled options and/or lapsed options should be reissued by appropriately modifying AYM ESOP Scheme 2018 by revising clause of "Treatment of options" as under:

- a. Treatment of lapse of options: All lapsed options granted to the grantee shall stand cancelled and will be available for re-issue.
- b. Treatment of Cancelled / Forfeited options: All unvested unexercised options which are cancelled / forfeited will be available for re-issue.

The said modifications in the scheme will require prior approval of Shareholders of the Company and accordingly Item No. 5 of the Notice is being placed before the shareholders for their approval.

None of the Key Managerial Personnel or Directors of the Company or their relatives have any interest or concern in the proposed resolution.

Rest clauses of existing AYM ESOP Scheme 2018 remains unchanged.

**Abstract of the existing AYM ESOP Scheme 2018 are as follows:**

- i. Identification of classes of employees entitled to participate in AYM ESOP SCHEME 2018: Employees in the category of the managerial personnel as determined by NRC.
- ii. Requirements of vesting and period of vesting:

The Employee Stock Options shall vest over a period of five years in the following manner:

Period	Vesting proportion
End of One Years from the date of Grant	10 % of the options granted
End of Two Years from the date of Grant	10 % of the options granted
End of Three Years from the date of Grant	20 % of the options granted
End of Four Years from the date of Grant	20 % of the options granted
End of Five Years from the date of Grant	40 % of the options granted





iii. The options would vest only if the option grantee continues to be in employment of the company at the time the options are due to vest.

iv. Maximum period within which the options shall be vested:

The Employee Stock Options granted shall be capable of being exercised in one or more tranches, within a period of five years from the date of Vesting of the respective Employee Stock Options. In absence of any such exercise the options shall lapse.

v. Exercise price or pricing formula:

The Employee Stock Options shall be granted by the Company at the price not less than face value of equity share and shall not exceed market price of the equity share of the Company as on date of grant of Option which may be decided by the Nomination and Remuneration Committee at their discretion. Payment of the Exercise Price, if any, shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or in such other manner as the NRC may decide.

vi. Maximum number of options to be issued in aggregate:

Not exceeding in aggregate 9,80,989 Options entitling the Grantees for 9,80,989 equity shares of the Company.

#### ITEM NO.6

The Company being in a textile industry has to appoint cost auditor pursuant to notification dated 31<sup>st</sup> December, 2014 issued by the Ministry. The Board, on the recommendation of the Audit Committee, has appointed M/s. Kiran J Mehta & Co., Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March 31, 2020.

Pursuant to the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable to M/s. Kiran J Mehta & Co., Cost Auditors for the financial year ending March 31, 2020.

None of the Key Managerial Personnel or Directors of the Company or their relatives have any interest or concern in the proposed resolution.

**By order of the Board**

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

Place: Mumbai  
Date: 29<sup>th</sup> July 2019

**Details of the Directors proposed to be appointed / re-appointed pursuant to Regulation 26 (4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2):**

Particulars	Director proposed to be Re-Appointed	Director proposed to be Appointed
<b>Name of the Director</b>	<b>Mr. Rajesh R Mandawewala</b>	<b>Mrs. Khushboo Mandawewala</b>
Age and date of birth	57 years, 5 <sup>th</sup> May 1962	32 years, 29 <sup>th</sup> January 1987
Date of first appointment	16 <sup>th</sup> July 1991	29 <sup>th</sup> July 2019
Brief Resume (including profile, qualification, experience and expertise in specific functional areas)	He is a qualified Chartered Accountant. Under his guidance and supervision, the operations have reached highest efficiency level as well as economy of operations, which has contributed to a great extent to the profitability of the Company. Under his able leadership, the Company achieved handsome performance, especially in exports and development of marketing network world over.	She has completed Bachelors of Engineering in Information Technology in July 20009 from D.J. Sanghvi College Of Engineering with distinction. Currently she is working with the Company as Head HR, CSR & Corporate Communication, Previously she has worked with Welspun India Limited as Deputy General Manager since 2012.
Shareholding in the Company (as on the date of the Notice of AGM)	Nil	Nil
Relationship with other Director/ Key Managerial Personnel of the Company	Yes, Mr. Abhishek Mandawewala, Managing Director & CEO and Mrs. Khushboo Mandawewala,	Yes, Mr. Rajesh R Mandawewala, Chairman and Mr. Abhishek Mandawewala, Managing Director & CEO
No. of Board Meetings attended	He has attended all the four meetings held during the year.	NA, since she is appointed as Additional Executive director w.e.f 29 <sup>th</sup> July 2019.
Directorships held in other companies (including the Company as on the date of the Notice of AGM)	<ul style="list-style-type: none"> <li>- Welspun India Limited</li> <li>- Welspun Corp Limited</li> <li>- Welspun Steel Limited</li> <li>- Mandawewala Enterprises Limited</li> <li>- Angel Power and Steel Private Limited</li> <li>- Welspun Enterprises Limited</li> <li>- Welspun Global Brands Limited</li> <li>- Connective Infrastructure Private Limited</li> <li>- RRM Realty Trader Private Limited</li> <li>- Welspun Advanced Materials Limited</li> <li>- Rank Marketing LLP</li> </ul>	<ul style="list-style-type: none"> <li>- Mandawewala Enterprises Limited</li> <li>- Mertz Estates Limited</li> <li>- Totsol Commercial Private Limited</li> </ul>
Companies in which Director is Chairman/Member* of the Committee of the Board (as on the date of the Notice of AGM)	Chairmanship – Nil <b>Member of Audit committee:</b> <ul style="list-style-type: none"> <li>- Welspun India Limited</li> <li>- Welspun Enterprises Limited</li> </ul> <b>Member of Stakeholders Relationship Committee</b> <ul style="list-style-type: none"> <li>- Welspun Corp Limited</li> <li>- Welspun India Limited</li> </ul>	Nil
Terms and conditions of re-appointment	-	<b>As per the Draft Appointment Letter</b>

\* Note: For the purpose of counting membership in Board Committee, Chairmanship/ Membership of the Audit Committee and the Stakeholders Relationship Committee alone are considered.





## ROUTE MAP TO SILVASSA FROM VAPI RAILWAY STATION



