AYM Syntex
THE STRENGTH WITHIN

Annual Report 2022-2023

RECOVER
REIMAGINE
REBUILD

“Each year we forge ahead fueled by optimism and a shared vision as we build a future filled with sustainable achievements and unparalleled excellence.”

Nurturing Excellence to Drive Transformation

Recover Reimagine Rebuild.
These three pillars best define our resolve for the future and the journey we undertake to make that resolve a reality. This journey reinforces our strongly held views of nurturing excellence across all our endeavours, navigating challenges with courage, embracing opportunities with confidence, and keeping on building on the path of sustainable growth.

Throughout the years since our inception, we have nurtured excellence through our commitment to innovation, customer centricity, sustainability, and the fortification of our strategic core. Despite encountering external macro-economic factors such as raw material price volatility and global instabilities, our unwavering dedication has propelled us forward.

By prioritising transformation, we have championed a culture of continuous improvement, reinforcing our position as an important player to reckon with in the industry. Our collective efforts, united by a shared vision, have fortified our resilience and kept us on course to sustainable long-term profitability.

With a spirit of recovery, we continue to overcome challenges and adapt to changing circumstances with agility and determination. By embracing the power of reimagination, we transform obstacles into opportunities, charting new paths to success. Through our ongoing commitment to rebuild, we forge ahead, leveraging our strengths and capabilities to shape a future of growth and excellence.

As we continue on our journey, we reaffirm our commitment to nurturing excellence in all aspects of our operations. By fostering a culture of operational improvement, maintaining expense discipline, and embracing growth and automation, we aim to further accelerate our success and strengthen our position in the market.

RECOVER

REIMAGINE

REBUILD

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Log on to www.aymsyntex.com to read this report online.

About this Report

AYM Syntex's Annual Report for FY 2022-23 reflects our performance and strategy aligned to the current business context. It encompasses both qualitative and quantitative disclosures regarding our financial and operational performance for the year, combined with our continued investments across various capitals.

Reporting Framework & Management Responsibility Statement

The Financial and Statutory data presented in this Report including the Management Discussion and Analysis (MD&A), Board's Report and Corporate Governance Report is in line with the requirements of the Companies Act, 2013, Indian Accounting Standards, the SEBI (LODR) Regulations, 2015, and the Secretarial Standards issued by the ICSI. The board believes that the information contained in this Report adequately represents the Company's performance in the reporting period and broadly outlines the Company's ability and commitment to create long-term value. This Report has been reviewed by the members of the board and senior management.

Assurance & Verification

The financial statements presented in the report have been externally audited by Price Waterhouse Chartered Accountants LLP and their report can be found in the Independent Auditors' Report section of this document. All other non-financial performance information has been internally verified and assured by the Management.

Reporting Period

This Report covers the Company's performance for the period commencing from April 1, 2022 to March 31, 2023. For certain Key Performance Indicator(KPIs), comparative figures from previous years have been used in the Report to provide a holistic view.

Forward Looking Statement

This Annual Report contains forward-looking statements about expected future events, including the Company's future performances, growth prospects and strategic plans. Further, sharing insights into long term strategies and growth prospects. These statements, by their nature, require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a possibility that the assumptions and predictions in these may not prove to be accurate. Additionally, certain performance parameters mentioned in this Annual Report are based on classifications made by the Company. Do not place undue reliance on these statements as a few factors could cause assumptions and actual future results or events to differ materially from those expressed in these forward-looking statements.

Feedback & Enquiries

We look forward to receiving feedback from our stakeholders to enable us to identify evolving risks, address concerns and find new ways of creating value. Our stakeholders can feel free to reach out to us at complianceofficer@aymgroup.com.

ORGANISATIONAL OUTLINE

Company Overview -
From Inception to Implementation -
MD & CEO's Message -
Board Members -

Company Overview

AYM Syntex proudly stands as one of India's leading manufacturers of Multipolymer Textile and Floor covering yarns. With a prominent presence in both domestic and international markets, we have established ourselves as a trusted manufacturer and exporter of synthetic yarns, renowned for our superior quality and versatility.

With a diverse range of applications, our company manufactures yarn that is utilised in over 15 diverse residential, commercial, and industrial applications. From residential carpets to automotive interiors, from high-performance textiles to durable upholstery, our versatile yarn serves as a fundamental component, catering to a wide variety of needs across different industries.

Number of Yarn brands: 30+

Our success in delivering innovative, high-quality yarn at scale stems from our world-class R&D capabilities and state-of-the-art manufacturing facilities. We take pride in our advanced Multipolymer Textile and BCF yarn manufacturing plants located in Palghar, Silvassa, and Naroli, which cater to the global textile and floor covering industry. Moreover, our Palghar facility houses one of Asia's largest yarn dyeing houses, equipped with a zero liquid discharge system and one of the India's largest 100% environment-friendly and automated dyeing facility. Additionally, our in-house masterbatch production capabilities give us unparalleled flexibility and a competitive edge.

Investments in R&D: ₹ 10.02 Crores
Number of Trademarks Held: 90+

To meet these needs, we have strong partnerships with our customers where we often co-create highly customised products. This collaborative approach stems from our dedication to customer satisfaction and allows us to consistently differentiate ourselves from the competition and strategically move away from a commodity-driven business model.

State-of-art manufacturing facilities: Palghar, Silvassa, and Naroli

We demonstrate remarkable capacity and capability in yarn dyeing and dope dyeing processes, with extensive range of over 17,000+ shades. Our advanced machinery and meticulous processes ensure precise shade consistency, providing our customers with unparalleled quality and a vast array of colour options.

Export Share: 47.5%

We also have a strong global presence, exporting our products to over 55 countries. Our current export share currently stands at an impressive 47.5%. Our steady but significant increase in export share over the last few years reflects our success in expanding global reach and establishing ourselves as a trusted supplier in the international market.

Energy Conservation: 3700 KWH/D
Zero Liquid Discharge

As we progress, we remain committed to play our part in achieving both national and global sustainable development goals. We embrace sustainable practices, integrate greener technologies, and incorporate environmental goals into our business strategy. By balancing our pursuit of excellence with a strong sense of responsibility, we strive to create high-value products for our customers, make a positive social difference, and foster an environmentally conscious future.

From Inception to Implementation

Our rich history, built on decades of experience, resilience, and continuous improvement, serves as a solid foundation for our commitment to success. It is through the lessons learned, the knowledge gained, and the expertise honed over the years that we navigate the ever-evolving landscape of the textile industry with confidence and determination. Amidst the changing tides of the global market, we have stood steadfast, embracing innovation and transformation to stay ahead despite challenges. Our journey is a testament to our unwavering spirit and our ability to adapt, innovate, and overcome challenges along the way. With each milestone, we reinforce our position, leverage our strengths, and drive towards a future brimming with promise and growth.

Key Milestones

1984

Company listed on the Bombay Stock Exchange

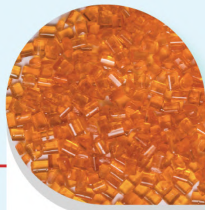
1985

Launch of yarn dyeing and Texturising facility, at Palghar

1992

POY, FDY, Spinning and Texturising facility launched in Silvassa

2000



Commercialised dope dyeing in India

2004

Manufacturer of Polyester mother yarn and mono yarn first time in India

2012

India's pioneering manufacturer & first merchant exporter of floor covering yarns

2013

Established R&D centre for excellence and innovation

2015

AYM Syntex
THE STRENGTH WITHIN

Company's name changed to AYM Syntex Limited

2017

One of the India manufacturer of low denier high tenacity Polyester yarns

2018

Expanded Floor covering yarn production capacity by additional 50%

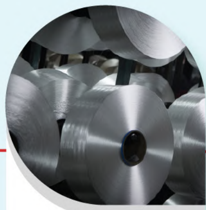
2020

Commissioning of new plant at Naroli

2022

Highest ever annual revenues and margins in FY 21-22

2023



2.5x capacity expansion in Technical Yarn

MD & CEO's Message

"Our transformation, started in 2015, has been marked by resilience, patience, and incremental progress. As our product mix evolves, we anticipate a shift towards specialised products for sustained profitability."

- Abhishek R Mandawewala
MD & CEO

Dear Shareholders,

Financial Year 2023 was yet another tough year for our company as our numbers slipped from where we were last year. This was further exacerbated by stock losses caused by a sharp fall in the raw material prices. While a track record of consistent profitability growth eludes us, I am confident that our business continues to become more robust with each passing year and has become more so over the last 12 fiscal months. Eventually, we will see the efforts of the last 8 years culminate into a business that will deliver stable and relatively predictable results, less impacted by the vagaries of the market and more as a result of competing from a position of an unfair competitive advantage in our favour. While the results were not favourable, there are several small wins that we ought to celebrate.

> The robustness of our floor covering business improved further. We added more customers to our portfolio and were able to bring down our customer concentration further. We have more business coming from alternate segments. We commercialised our innovative products with more customers and now have a bigger piece of the pie coming from these products. Despite a year where the overall market is down, we continued to maintain momentum.

> We successfully completed the first phase of our expansion in technical yarns and are on track to producing and selling 2.5x the volumes that we were producing earlier. We also managed to expand our sales network internationally which will create a robust pipeline of new customers over the coming years.

> While we have struggled with production efficiencies, we have learnt a great deal about commercialising new products and are far more equipped to commercialise future innovations.

> While the textile division continues to drag profitability, we have improved the share of value-added products such as Mono yarns and Silque.

> Our share of exports continued to grow and inched closer to the 50% mark with the share of value-added products increasing higher than before.

> We have also successfully made progress on the supply chain side by creating a more robust mix of suppliers, particularly in auxiliaries such as packing materials and masterbatches, reducing single vendor dependency in the several items.

That said, our business was plagued by several issues which affected the profitability this year. A tough domestic market continued; a decrease in raw material prices coupled with a unique situation of lower-than-expected production efficiencies and higher costs due to the learning curve associated with the launch of several new products and programmes caused our profitability to drop. Lower efficiencies of new products on specialised machines also meant lower than planned production, leading to air freights to keep up with customer expectations. A global slowdown in consumption led to over capacities in China which resulted in low-cost goods, particularly nylon, being dumped in our markets and significantly affecting our margins, particularly in commodity segments. The drop in local demand coupled with cheap imports also meant low-capacity utilizations and caused fixed costs to be absorbed by lower producing units further impacting margins.

As I write this letter, we have been successful in stabilising a few of our new products, achieving the desired level of production efficiencies and internal rejection levels.

An example of this is our proprietary Soft Polyester product which took 4 years from product development to launch to commercialization and finally stabilisation. However, there is still some distance to go in some of our other innovations. I hope that we will be able to address many of these issues in the coming fiscal year. There are several other areas that we hope to focus on and gain from in the coming year.

- Improving production efficiencies and bringing down the rate of off-grade production in the floor covering segment is going to have the highest impact on profitability going forward.

- Improving capacity utilisations in the commodity segments by increasing the sales of value add products such as Silque and mono yarns will help us cushion the impact of low sales in segments such as nylon. At low/minimum capex we hope to convert lines to these products and continue to reduce exposure/exit of non-profitable commodity segments, which are lower in the value chain.

- We are in the process of commissioning 3 new lines in the technical yarn segment which have been installed in place of and by replacing old non profitable commodity lines.

- Raw material prices particularly in nylon seem to have hit the bottom and stock losses of the previous few quarters should now stop. As prices normalise, these will result in stock gains going forward.

The journey thus far has been incredibly tough and painstaking. This transformation journey started in 2015 and we have faced challenges every step of the way. This includes building a capable team, building the right infrastructure, building the sales network and reaching the right customers, creating the products, getting approvals and winning awards for supply of these products, commercialising these products, building the right systems for controlling and effectively managing multiple product lines and finally stabilising the production of these products. The lifecycle for each product is on average 5 years. External shocks have not helped our cause.

But it is important to remain resilient, patient and continue to work undeterred and address challenges one step at a time. As our product mix continues to shift from commodity products, the base of our profitability will increasingly start coming from established specialised products which will have a longer period of above average returns compared to commodity products. As this happens, our results should look vastly different as compared to what they look like today.

I would like to end this letter on a note of thanks to all our shareholders, who have continued to support us through this journey. Finally, I would also like to thank all of our employees for continuing to believe in our vision and working tirelessly towards it.

Warm Regards

Board Members

Our esteemed Board of Directors play a pivotal role in shaping the vision, strategy, and direction of our organisation. Comprising a diverse group of seasoned professionals, leaders, and experts from various industries, our Board provides invaluable insights and guidance to drive our business forward. With their collective expertise and commitment to excellence, they ensure that our company remains at the forefront of innovation, corporate governance, and sustainable growth.

Rajesh Mandawewala
Non-Executive Chairman

N C M M

Abhishek R Mandawewala
Managing Director & CEO

NE M M M

Khushboo Mandawewala
Whole Time Director & CHRO

NE M M M

Atul Desai
Independant Director

I M C C C C

Mohan Tandon
Independant Director

I M M M

KH Viswanathan
Independant Director

I M M M

I Independent, Non-Executive Director

NE Non- Independent, Executive Director

N Non- Independent, Non- Executive Director

C Chairperson

M Member

Board Committees

- Stakeholder Relationship Committee
- Corporate Social Responsibility Committee
- Nomination & Remuneration Committee
- Audit Committee

Average Age (Yrs) 58

Board Independence (%) **50%** Independent

Average Tenure on the Board (Yrs) 16

Average Tenure of Independent Directors on the Board (Years) 14

STRATEGIC SNAPSHOT

Nurturing Excellence to Drive Transformation -
- Annual Business Review -

Growth with Purpose

We embody the spirit of growth with purpose, driven by a vision that goes beyond mere numbers. It is a vision fueled by our core values, unwavering principles, and our unyielding commitment to achieving excellence through QCSDM (Quality, Cost, Safety, Delivery, Morale). But our purpose extends even further, igniting a spark that transcends the boundaries of our organisation.

We believe in growth with **progress**, based on an understanding that true growth is not confined to expanding revenues or volumes or market share alone. It is about creating tangible value and making a meaningful difference in the world. We strive to push boundaries, embrace innovation, and redefine industry standards to leave an indelible mark on the textile landscape.

We also recognise that growth is not a solitary journey; it is a collective endeavour that encompasses all the **people** connected to our company. We are dedicated to fostering an environment of growth that empowers our people, nurtures their talents, and provides them with the opportunities they need to flourish. Together, we move ahead, united in our pursuit of shared success.

Yet, our commitment to growth is not limited to our people, it extends to our **planet**. We understand that sustainable growth is the key to securing a brighter future. We embrace eco-conscious practices, championing environmentally friendly innovations that minimise our footprint and preserve the beauty of our world for generations to come.

Through this holistic approach to growth, we are not only building a successful business but also shaping a future that is built on the pillars of progress, people, and the planet.

The Progress Purpose

In our pursuit of growth with progress, we recognise that success is not measured solely by financial gains but by the positive impact we create in the lives of others. We believe that progress should be a shared journey, one that uplifts individuals, strengthens communities, and contributes to the greater good of society. It is our responsibility to ensure that our growth benefits not only our organisation and its stakeholders but also extends to those who interact with us, creating a ripple effect of progress and prosperity.

Innovation

- R&D investments to craft groundbreaking products aligned with evolving customer needs.
- From sustainable yarns resembling natural fibres to pioneering manufacturing methods.
- Redefining industry standards and elevating customer experiences.

Collaborative Partnerships

- Alliances with like-minded organisations, industry experts, and stakeholders.
- Aim to drive industry-wide progress, fuel innovation, and address common challenges.

Positive Legacy

- Ethical business practices.
- Alignment with broader development goals of our nation and the world.
- Driving towards growth that is sustainable and viable economically, socially and environmentally.

The People Purpose

Our employees are the primary driving force behind our success and we are committed to creating inclusive opportunities for them. We aim for a work environment that values diversity, equality, and professional development. We also believe that all businesses have a responsibility to contribute to the social and economic development of the regions they serve. To this end, we strive to uplift the lives of individuals, strengthen communities, and contribute to the overall progress of society.

Culture of Continuous Learning

- Investments in resources, training, and support.
- Prioritise personal and professional growth to empower employees.

Inclusive Opportunities

- Campus recruitment drives, internships, and skill development programs.
- Fostering a work environment that promotes diversity, equality, and professional development.

Community Needs and Aspirations

- Addressing social challenges, supporting education and healthcare, and working towards sustainable development with strategic partnerships and meaningful initiatives.
- CSR approach rooted in creating sustainable and long-term impact.
- Collaborations with local organisations and community leaders in education, healthcare infrastructure, skill development, and environmental conservation.

The Planet Purpose

We firmly believe that sustainability is integral to our long-term success and the well-being of future generations. In line with this commitment, we have implemented various initiatives and practices that prioritise environmental stewardship, minimise waste generation, and reduce our carbon footprint. By integrating sustainability into our core business operations, we demonstrate that economic growth and environmental responsibility are not mutually exclusive. We hope that we can inspire and encourage others in the industry to embrace similar practices, creating a collective impact that goes beyond our organisation.

Sustainable Yarns

- Ensuring that our products align with the principles of environmental responsibility.
- Continuous R&D in the development of sustainable materials.

Zero Liquid Discharge

- Implemented across our manufacturing facilities.
- Advanced water treatment systems using biotech and efficient recycling processes.

Energy Efficiency

- Optimising production processes.
- Investments in energy-efficient technologies.

Carbon Sequestration

- Tree planting initiatives.
- Afforestation programs for the restoration and conservation of natural ecosystems.

Value Creation Model

An effective value creation model is at the core of AYM Syntex's growth strategy. Through strategic resource allocation, we prioritise the maximisation of opportunities and minimisation of risks, driving holistic and value-based growth for all stakeholders. With a keen focus on market transformation and evolving customer needs, our strategic roadmap is constantly adapted to deliver superior value to our stakeholders. By investing in innovative infrastructure, such as R&D and digitalisation, we strengthen our product portfolio and maintain a competitive edge.

VISION

Create a legacy by touching lives globally through innovative products, processes and business models

VALUES

Customer Focus
Innovation
People Development

PRINCIPLES

Customer-centricity
Long-term vision
Collaboration
Drive for Excellence
Bias for Action

COMMITMENT TO CAPITALS

Financial Capital

Funds allocated and efficiently utilised by the company to power business activities

Manufactured Capital

Assets, such as plants, equipment, and offices that facilitate the production and value creation

Human Capital

People onboarded, trained, and empowered to drive business

Natural Capital

Resources like water and energy that support business and are necessary for operational activities

Social Capital

Relationships with key stakeholders such as customers, value chain partners, investors, regulators, and surrounding communities

Intellectual Capital

Intellectual property developed through innovation, research and improvement in manufacturing processes

Enablers

Robust business model | Continuous innovation | Sustainable practices| Digital tools and automation

Partners

Shareholders | Customers | Employees
Value chain partners | Regulators
Communities

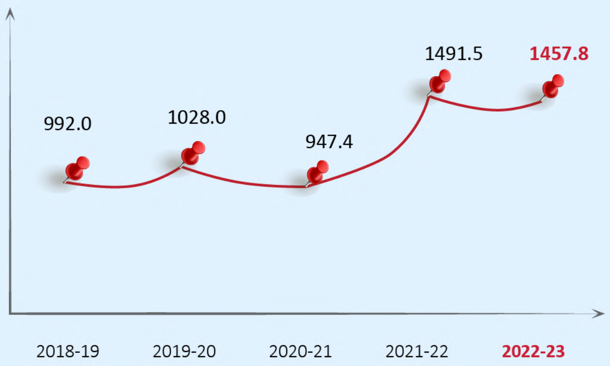
VALUE

	Inputs	Outputs	Outcomes
Financial Capital	Fixed Assets: ₹ 478.9 Cr Equity: ₹ 420.3 Cr Net Debt: ₹ 245.8 Cr Working capital: ₹ 131.2 Cr	Market cap: ₹ 307.2 Cr RoCE: 6.8% Net revenue: ₹ 1457.8 Cr EBITDA: ₹ 103.1 Cr EBITDA margin: 7.1% EPS: ₹ 1.43	• Strong balance sheet with A rating • Efficient deployment of Financial Capital across segments • Optimisation of Finance Cost despite increase of Repo Rates
Manufactured Capital	Manufacturing facilities: 3 Regional offices: 7 Capex in past 5 years: ₹ 200 Cr+	Amount of yarn produced: 106 K MT New products introduced: 5	• Enchanced operational efficiency and achieved greater output and throughput • Adapting energy intensive machinery to operate efficiently thus reducing energy consumption and improving sustainability
Human Capital	Total no. of people employed: ~2500 Person hours spent in training: ~4000	LTIFR: 0.6 Incidents: 10 Fatalities: 0 Employees with tenure longer than 10 years: 230+	• Strong team of highly experienced people with diverse expertise • Safe workplace with minimal injury and no fatality-causing incidents
Natural Capital	Raw material consumed in FY23: 63 K MT Packaging material consumed: ₹ 45 Cr Water consumed: 50 Lakhs KL Energy Consumed: 1484 Lakhs kVA	Solar energy generated: ~10 Lakhs KWH Zero Liquid Discharge	• Significant progress in environmental stewardship journey • Continuous improvement of zero liquid discharge policy • Increasing adoption of renewable energy source
Social Capital	Total investment in CSR activities: ₹ 63.5 Lakhs	Procurement through local suppliers: 46% Anganwadi opened: 1 Balwadi students: 75 Training programmes: 50+ Certifications: 15	• Mobile Van initiative equipped with energy- efficient technologies • Usage of recycled Polyester and Nylon in our yarns. • Strong trust based community relationship
Intellectual Capital	Investment in R&D: ₹ 10 Cr People engaged in R&D: 51 Innovative products : 5	Brands owned: 30+	• Patents granted till date: 4 • Trademarks owned: 90+ • Highly customised products preferred by our Customers

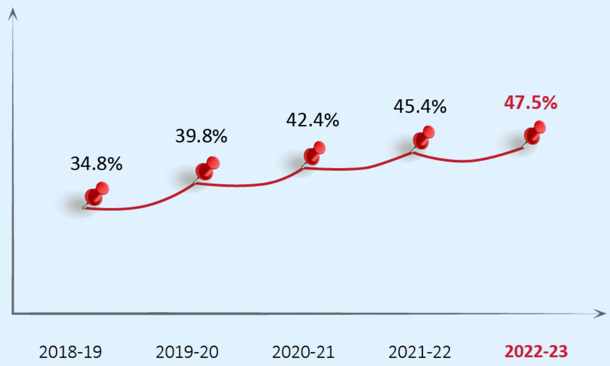
Progress Pulse

Our focus on key parameters has resulted in consistent growth for the company over time. By strategically investing in capacity enhancements across diverse business segments, we anticipate significant cash flow generation in the times ahead. As we continue on our transformative journey, we are confident that our financial prudence, innovation-driven approach, and dedication to sustainable business practices will propel us to greater heights in the global marketplace.

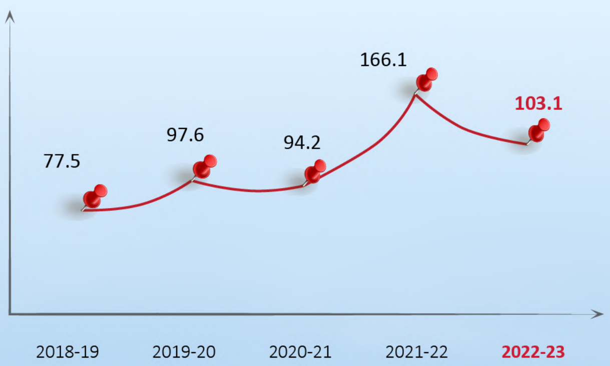
Revenue from Operations (₹ Crores)



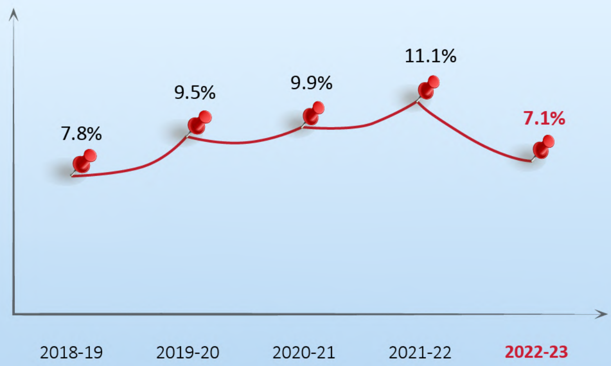
Export Share (%)



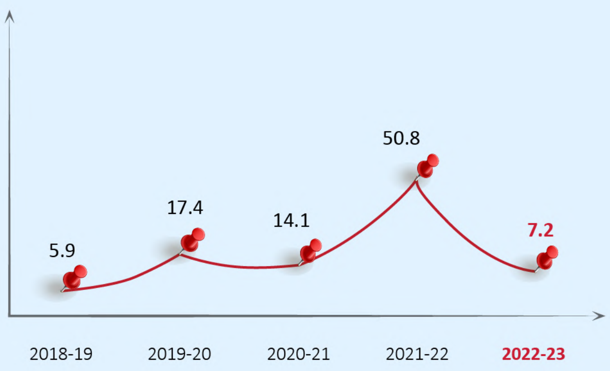
EBITDA (₹ Crores)



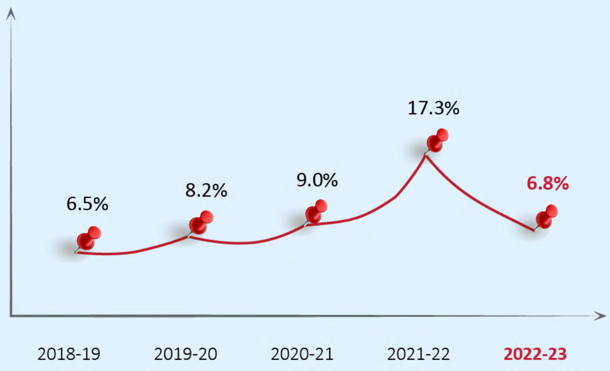
EBITDA (% to Revenue)



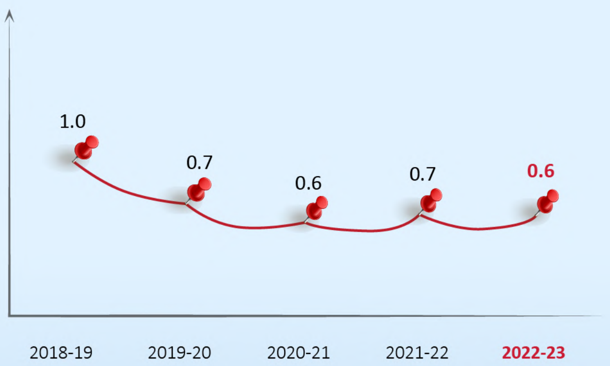
PAT (₹ Crores)



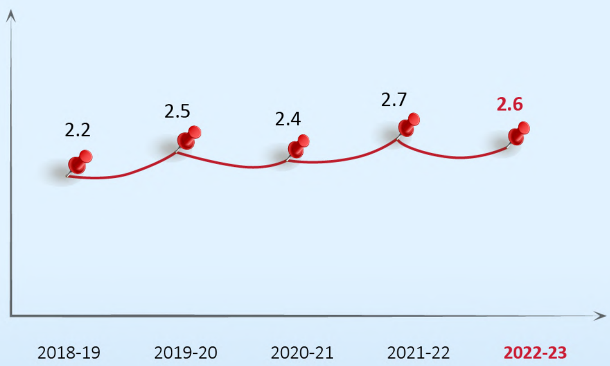
RoCE (%)



Debt Equity Ratio



Fixed Asset Coverage Ratio



Domestic Influence

Our products and their versatile applications are used by businesses and consumers throughout India. We enjoy widespread national reach not only through the presence of our offices and manufacturing units but also by the presence of our products. We have firmly established ourselves in the south and west regions where we have the strongest hold. In the period of FY 2022-23, we have further strengthened our footprint in the north as well. As a result, the Company boasts a robust nationwide presence that caters to diverse markets and stakeholders.

● Corporate Office

Mumbai, Maharashtra

▲ Manufacturing Units

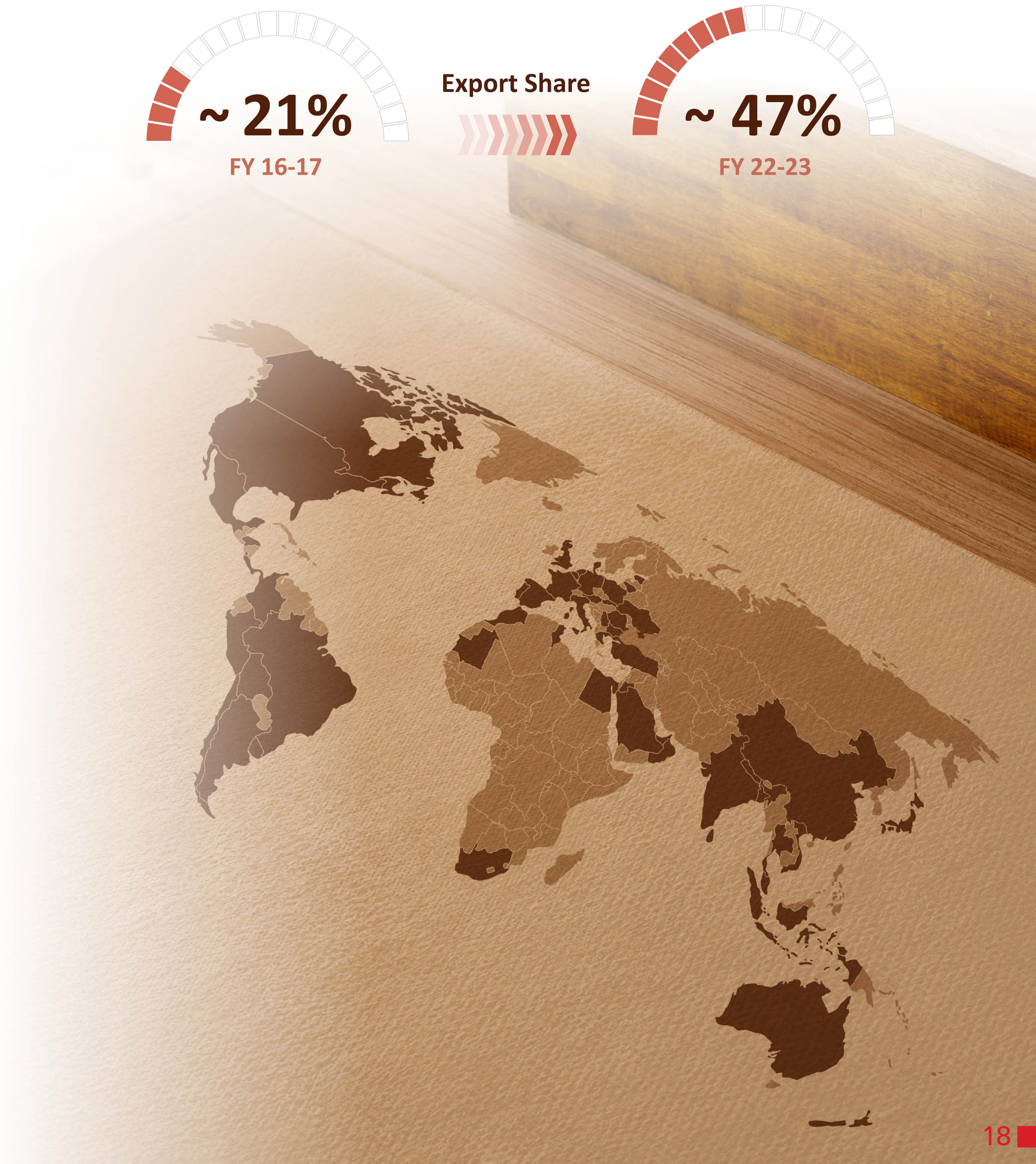
Palghar, Maharashtra
Silvassa and Naroli, U.T. of Dadra & Nagar Haveli

■ Marketing Offices

Belgaum, Karnataka
Bengaluru, Karnataka
Karur, Tamil Nadu
Panipat, Haryana
Surat, Gujarat
Salem, Tamil Nadu
Tirupur, Tamil Nadu

Global Reach

We are swiftly fortifying our global presence by venturing into an expanding array of countries, thus amplifying our international reach. Currently, we have successfully extended our operations to over 55 countries, enabling us to diversify our geographic footprint and tap into new markets. As a testament to our global growth, our exports have experienced a remarkable surge, now accounting for 47.5% of our total business volume. Through this strategic expansion, we are reinforcing our position as a formidable player in the international arena.



Commitment to Quality

In the global marketplace, our certifications serve as a mark of quality, credibility, and trust. Being certified to stringent quality and process standards gives us a competitive advantage, making us an attractive choice for international buyers who value quality, reliability, and adherence to global standards. By investing time and effort in obtaining endorsements of excellence, the Company is able to further create new opportunities for export. Our certifications demonstrate our commitment to meeting our customers' demands, making us an ideal partner for importers seeking reliable suppliers. These certifications also reflect the company's dedication to continuous improvement and innovation. To obtain and retain these certifications, we must undergo regular audits and assessments to ensure ongoing compliance with the standards. This process encourages us to identify areas for improvement and implement measures to enhance product quality and overall performance continually.

ATF 16949
(For Automotive Application)

ISO 17025
(From NABL for Laboratory Precision)

GRS
(Global Recycled Standards)

ISO 9001:2015
(For Quality Management System)

OEKO TEX
(For Protection From Harmful Substance)

ISO 14001:2015
(For Environment Management System)

ISO 45001:2018
(For Health & Safety at Work Places)

HIGG FEM 2022
(Self Assesment Complteted)

Life Cycle Assessment

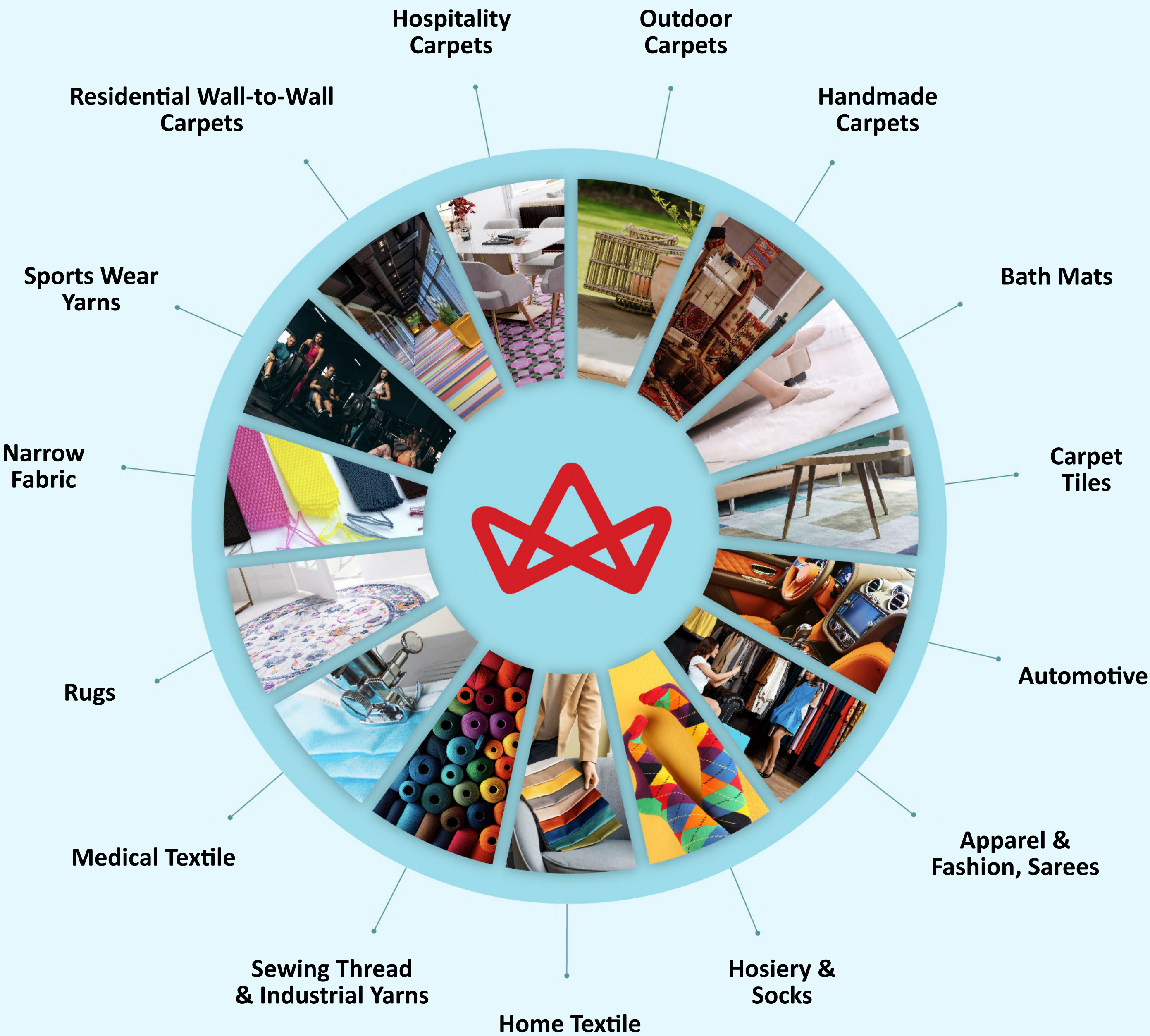
ZERO LIQUID DISCHARGE
(Dyeing Exhaust Effluent Water is Recycled & Reused Again For The Dyeing Process)

BIS
(Certified Products)

Product Innovation

The Company has demonstrated a strong commitment to product innovation, driving the transformation of our business and expanding our market presence. We have focused on diversifying our product offerings and developing new solutions to meet evolving customer needs. Through strategic partnerships and cutting-edge technology, we have successfully introduced innovative products that resemble natural yarns, such as wool-like and silk-like yarns to bring our domestic and global customers unique offerings. Our dedicated research and development efforts have resulted in the testing of many new products related to specific fibres, showcasing our drive for continuous improvement and staying ahead of industry trends. We are proud to be at the forefront of sustainable and resilient product development, addressing the growing demand for environmentally friendly alternatives. Our commitment to product innovation fuels our growth, enhances customer satisfaction, and positions us as a leader in the textile industry.

Our Applications



Our Brands

SORENYL™ TOUCH OF CLASS

Solution-dyed nylon yarn for luxurious carpets

Rezilia® Resilience meets elegance

High-performance BCF yarn for extremely soft carpets and rugs

Ecosel™

Soft dyed yarn for durable, stain-resistant carpets and rugs

ASSURA™ FIRE SHIELD FOR LIFE

Innovative yarn with fire-resistand properties

Sparkle™ ULTRA SHINE

Highly-lustrous BCF yarn for residential rugs and carpets

POLYCYCLE™ Back to Green

100% recycled polyester yarn for denim and apparel

POLYMAGIC™ WHITE TO BRIGHT

Modified raw white yarn for carpets, rugs, and bath mats

Beleaf™ For a sustainable future

Sustainable bio-based HCF yarn

Comfeel™ FEEL THE COMFORT

Synthetic textured yarn for comfortable knitwear

Polywonder®

Super soft and luxurious-looking yarn for bath mats and rugs

Wonderfeel® TREAT FOR FEET

Dope-dyed yarn ideal for bath mats and decorative rugs

KASHMIERE™

Polyester yarn with wool-like luxurious texture for decor and flooring

GREENOVA™ Product by Dupont Sorona

Partially bio-based yarn for plush carpets- by DuPont Sorona®

Silkenza™ Soft & Silky

Dyed nylon yarn that gives silk-like sheen for luxurious home styling

SYNERGY™

Solution-dyed nylon yarn for luxurious carpets

INNOVEDA™

Ayurveda-based antimicrobial and antifungal yarn for activewear

NOVACORE™
Quality, consistency, reliability

Super-high tenacity polyester sewing threads

Thermique™
Feels like summer in winter

Yarn ideal for insulating clothing

OUTSHINE™
Your skinsurance

Special synthetic yarn for garments

HYGEIA™
the goddess of good health

Eco-friendly and antimicrobial yarn

SILQUE™
vibrant, radiant, elegant

Smooth-textured, lustrous yarn for sarees and apparel

ULTRAFLEX™
More power, more muscle, more performance

High-stretch yarn for flexible garments

MACROGARD™
Stays clean, stays fresh

Yarn for long-lasting hygiene and freshness

SUPERITE™
Right first time

High quality yarn for denims and mattresses

Shadez™

White polyester yarn for dyeing at low temperatures & atmospheric pressure

COLORIZE

Raw white polyester yarn for printing with acid dye

Nycycle™
Responsible. Sensible. Sustainable

100% recycled yarn for residential & commercial floor coverings

GAME™ CHANGER

Uniquely-engineered yarn for contract and residential floor covering

Opulenz™
alluring. enduring.

A combination of luxury and performance.

ELIOR™
stand out, shine on

Polyamide 6 yarn with inherent radiance ideal for hosiery

ARCTICOOL™
Play it supercool

Performance yarn designed for excellent moisture management

SpinOvate®
New blends for new trends

Bicomponent yarn for suede-like appearance in home textiles

Recover Reimagine Rebuild

FY 2022-23 signifies that phase in our growth journey that underscores our commitment to perseverance and consistent efforts as we adopt the approach of **"Recover Reimagine Rebuild."**

Amidst a changing landscape, we stayed on course continuing to make significant strides towards diversifying our product portfolio and progressing on our ongoing initiatives and programmes. We expanded from tried and tested markets to building resilient models for the automotive and commercial sectors. Through strategic partnerships and innovative initiatives, we developed sustainable yarns, expanded our global footprint, and ventured into new markets.

Investments in capacity building, technology advancements, and talent development bolstered our operational capabilities. We harnessed the power of data-driven insights, implementing advanced software solutions for precise shade consistency and measuring product quality. By upgrading our machines and optimising processes, we achieved increased efficiency, reduced wastage, and improved cost-effectiveness.

As we navigated through global uncertainties, we proactively shifted our business focus to more attractive geographical markets, capitalising on emerging opportunities and market trends. Collaborations with polymer suppliers, additive suppliers, and technology partners strengthened our innovation capabilities and ensured a steady supply chain.

Our relentless pursuit of excellence and customer delight drove us to enhance product offerings, launch new projects, and expand our customer base. We fostered open communication with customers, actively seeking their feedback and continuously delivering value-added solutions. Our participation in international exhibitions amplified our market presence and facilitated valuable connections.

With an entrepreneurial spirit and a passion for innovation, we are poised to seize new opportunities, address emerging challenges, and shape the future of the textile industry. Through collaboration, resilience, and a focus on nurturing excellence, we are confident in our ability to drive sustainable growth and create a positive impact for all stakeholders.

Essential Metrics

The essential metrics we track guide us through the intricate landscape of the textile industry and reflect our relentless pursuit of excellence. From key financial indicators to critical operational benchmarks, this overview offers a transparent glimpse into our accomplishments and challenges. By diligently measuring and monitoring these essential metrics, we are able to manage our commitment towards sustainable growth, operational efficiency, and creating value for all stakeholders.

The amount of yarn we have produced can go
41868
Times to the moon

Widest colour range of conventional dyed yarn
17K+
Shades

Touching lives through innovation for
38
Years

₹ 1458 Cr
Turnover

47.5%
Export Share

55+
Countries with brand presence

₹ 103.1 Cr
EBITDA

₹ 7.2 Cr
PAT

6.8%
RoCE

73.9%
Promoter's Stake

~2500
People Employed

Quarterly Financial Performance

FY 2022-23

₹ Crores

	Quarter Ended				Annual
	30 Jun 22	30 Sep 22	31 Dec 22	31 Mar 23	FY 22-23
Revenue from Operations	396.6	384.5	347.1	329.6	1,457.8
Earning Before Interest, Tax, Depreciation & Amortization (EBITDA)	31.8	24.0	24.8	22.7	103.1
Finance Charges	8.8	8.6	9.0	9.5	36.0
Depreciation	14.5	15.0	14.9	12.2	56.5
Profit Before Tax (PBT)	8.5	0.4	0.8	0.9	10.6
Profit After Tax (PAT)	5.5	0.3	0.5	0.9	7.2
Equity Share Capital	50.2	50.3	50.3	50.4	50.4
Earning Per Share (EPS) in ₹	1.1	0.1	0.1	0.2	1.4

FY 2021-22

₹ Crores

	Quarter Ended				Annual
	30 Jun 21	30 Sep 21	31 Dec 21	31 Mar 22	FY 21-22
Revenue from Operations	306.0	379.3	400.9	405.3	1491.5
Earning Before Interest, Tax, Depreciation & Amortization (EBITDA)	33.3	43.2	44.3	45.3	166.1
Finance Charges	8.2	9.2	9.0	9.5	35.9
Depreciation	10.9	13.1	12.8	13.7	50.6
Profit Before Tax (PBT)	14.2	20.9	22.4	22.1	79.6
Profit After Tax (PAT)	9.2	13.2	14.4	14.0	50.8
Equity Share Capital	50.0	50.2	50.2	50.2	50.2
Earning Per Share (EPS) in ₹	1.8	2.6	2.9	2.8	10.1

Transformation with Technology

The Company has embarked on a remarkable journey of transformation, driven by our relentless pursuit of leveraging advance technology. We are in the process of upgrading its processes, systems and revolutionize the operations. Key Objective of Digital transformation: Reduce cost & Increase Revenue, Increase collaboration, Improve Customer Experience & Agility, Increase governance and compliance, Gain competitive advantage.

Information Technology Integration

Our commitment to technology driven transformation extends beyond the production line. We have strategically integrated information technology across various aspects of our operation, streamlining process and optimising efficiency through the seamless integration of information systems at both of our plants.

Data-driven Decision Making

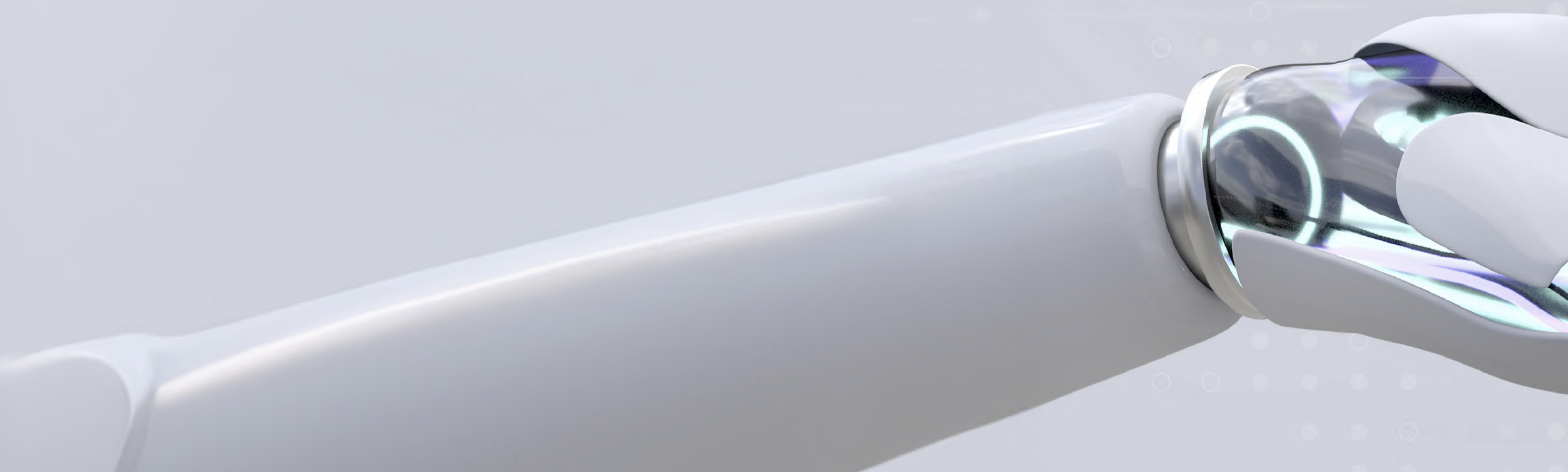
Informed decision making is at the core of our technology transformation. Through data collection and analysis, we gain valuable insights into our processes, customer preference and market trends. These insights when captured in the Business intelligence (BI) tool in the form of meaningful data, it empowers us to make data- driven decision, optimise our operations and continuous innovate to meet the evolving needs of our customers. The improved decision making with the help of BI tool is an ongoing journey where the company expects to reap its benefit in future planning as well as strategic decision making.

Data mining and data warehousing

We have started archiving operational data from different sources at Silvassa plant and have also initiated summarizing it into useful information that can be used as a basis of monitoring and control, enabling our company to focus on the most important aspects of our business. Centralization of data maximises user access and analysis.

Internet of Things (IOT)

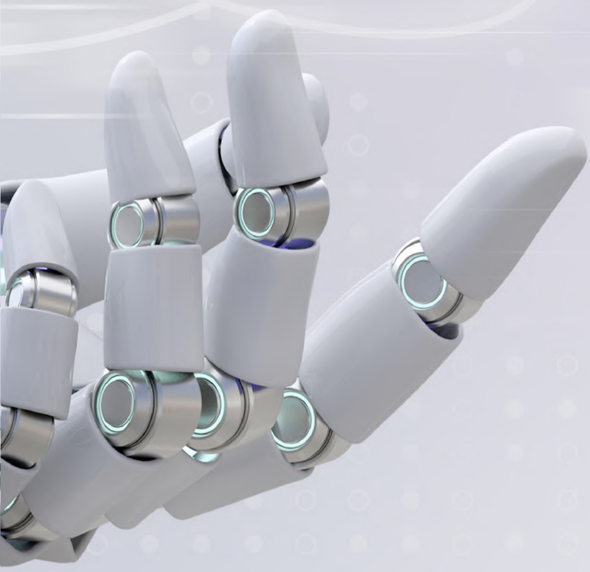
IoT in textile industry adds value to the textiles ecosystem and reshapes the usage of connected devices. Our Company in combination with IoT, expects to advance the state of manufacturing and open new opportunities for insightful feedback. It can immensely reduce human effort, minimize errors, and reduce variations.



Key Technology Projects

Our ongoing technology projects showcase our commitment to harnessing the power of technology to drive business transformation. These projects encompass a wide range of operational and management initiatives. By leveraging theses cutting edge IT applications, we enhance our operational agility, data driven decision making customer centric enabling us to stay ahead in the fast paced and ever evolving business landscape. These strategic IT initiatives are the testament to our dedication to innovation and continuous improvement, ensuring we remain at the forefront of the industry.

- Barcode Implementation to enhance the traceability.
- Automated receivable help to speed up the process.
- SD-WAN a Virtual Architecture that allows enterprises securely connect multiple location & reliability.
- Business intelligence software designed to retrieve, analyse, transform and report data for business intelligence.
- Auto GST reconciliation involves auto reco from suppliers' data and the purchase data recorded by us.



Technology Roadmap

In the coming years, we have an exciting lineup of IT initiative planned for implementation. These initiatives span across a diverse spectrum of projects, each carefully designed to address specific challenges and opportunities within our organisation. Out IT Projects focus on optimising key operational aspects, such as supply chain management, inventory control, production processes and customer relationship management. By harnessing the power of technology, we intend to eliminate bottlenecks, reduce manual interventions, and optimise resource allocation. Furthermore, our IT initiative centre around elevating data driven in sight. In essence our approach to IT initiatives is holistic and strategic aimed at improving our overall organizational performance.

- Compliance Management software it's an IT enabled legal support service relating to legal and regulatory compliance.
- Enhancement & Automation in Business Intelligence (BI) add on Reports.
- Energy Management System (EMS) to deepen the analysis of the energy data.
- Automation Accounts Payable – AI based Invoice Booking workflow.
- Document Management System to track, Store documents in the electronic form.
- Customer portal a technology bridge to manage relationship and interactions with customers.
- Migration of SAP ECC 6 to SAP S/4 Hana assessment and Implementation.

Putting People on a Pedestal

We are dedicated to fostering a thriving and inclusive work environment that empowers our employees and drives exceptional business performance. To fulfil our mission, we continuously undertake initiatives to enhance the well-being and professional growth of our employees. By investing in our people, we lay the foundation for a future-ready workforce that is motivated, engaged, and poised for success.

~4000 Person Hours
spent on talent development

550+ Employees
rewarded through GloryUs 3.0 and excellence program

60+ Connects
no. of employee assistance program & connects initiated

38% workforce
hired through internal channels & campus connects

Talent Development

Our comprehensive leadership skills training programs for corporate and plant management teams identify and nurture critical talent within the organisation. We deliver personalised, just-in-time training in various domains, from supply chain and manufacturing to technology and people development. We do this both in collaboration with the best global training institutions as well as using our in-house L&D programme, Gyanodaya.

Rewards and Recognition

Our noteworthy rewards and recognition program, GloryUs 3.0, celebrates exceptional performance across key parameters, inspiring continuous excellence. Employee of the Day, Week, and Month programs boost morale and inspire others to strive for excellence. Additionally, we prioritise employee engagement through wellbeing programs, events, and milestone celebrations, fostering strong bonds and a sense of belonging within our organisation.

Campus to Corporate

This programme is designed to create a talent pool for the future by engaging with top engineering students from prestigious institutions. Through trainee programmes, we offer young professionals hands-on experience and a deep understanding of our industry. These programmes are built on the foundation of attracting and nurturing top talent, whether through campus placements, lateral hiring, or employee referrals.

Performance Management

Through regular feedback and performance monitoring, we support our employees in their professional growth and development, enabling them to reach their full potential.

Employee Assistance Programme

Our employee connect initiatives hold great significance and provide a platform for every employee to express their thoughts and concerns, ensuring that their voices are heard and valued. Through this program, we proactively address any persisting concerns or grievances, taking necessary actions to foster a positive work environment.

Diversity and Inclusion

We embrace diversity and inclusion as fundamental values within our organisation. We actively promote gender diversity and are dedicated to hiring and nurturing female talent across various levels in the organisation. We also ensure equal pay for equal work and parity across the organisation. We strongly condemn any form of discrimination based on caste, race, gender, sex, or age, fostering an inclusive and respectful work environment. We believe that a diverse workforce brings different perspectives and enriches our collective knowledge, ultimately driving innovation and success.

Occupational Health and Safety

Regular assessments of our facilities' performance are conducted by the Safety, Health, and Environment (SHE) Management Committee. These evaluations allow us to identify potential risks and implement effective risk mitigation measures to maintain a safe working environment for our employees. Comprehensive employee benefit plans include parental leave, medical policies that cover employees' immediate families, personal accident insurance plans, term life insurance plans, travel insurance plans, etc. We also conduct training and awareness programs to ensure everyone understands their roles and responsibilities in maintaining a safe workplace. Additionally, we actively encourage employee participation and feedback, creating an environment where safety is everyone's responsibility.

FY 2022-23 Health and Safety Performance

	2018-19	2019-20	2020-21	2021-22	2022-23
FATAL	-	-	-	-	-
LTI	4	-	-	1	-
FAC	18	24	17	9	262
MTC	16	7	4	2	75
RWC	-	-	-	-	-

LTI - Loss Time Injury, FAC - First Aid Case, MTC - Medical Treatment Case, RWC - Restricted Work Case

Zero Fatalities
for 5+ Years in a row

10
incidents

0.6
LTIFR*

*LTIFR refers to Lost Time Injury Frequency Rate, the number of lost time injuries occurring in a workplace per 1 million hours worked.

Prevention of Sexual Harassment

Preventing sexual harassment and fostering a safe and respectful work environment are top priorities at AYM Syntex. We have implemented a robust framework that includes policies, awareness programs, and a dedicated Internal Complaints Committee (ICC) to address any incidents promptly and impartially.

0
Reported cases of sexual harassment

100%
Anonymous reporting mechanism

Caring for Communities

We hold a deep appreciation for the communities that surround us, and are committed to sharing our success through initiatives that support and empower them while also nurturing the environment. Guided by our vision to uplift the underprivileged and break the cycle of poverty, we have developed a comprehensive four-pronged approach, focusing on what we call the "**four S's**" or the four key aspects of our communities.

Swasthya
Provision of safe drinking water

Swabhiman
Education

Sudhar
Rural Development

Shristhi
Usage of renewable energy

Under the **"Swasthya"** programme, we prioritise the provision of safe drinking water, recognising its fundamental importance for the health and well-being of the communities we serve. By ensuring access to clean and safe drinking water, we aim to improve the overall quality of life for the underprivileged.

Through our **"Swabhiman"** programme, we strive to promote education by establishing and supporting anganwadis and balwadis. These educational centres play a vital role in nurturing young minds, providing a foundation for learning and development that can shape their futures and break the barriers of limited opportunities.

The **"Sudhar"** program is dedicated to rural development, where we work closely with the communities to identify their specific needs and implementsustainable solutions. By addressing issues related to infrastructure, healthcare, and socio-economic development, we aim to uplift the overall living standards of the underprivileged and create a positive impact that extends beyond our immediate vicinity.

Lastly, under the **"Shrishti"** initiative, we emphasise the usage of renewable energy sources, including solar power, to promote a greener and more sustainable future. By leveraging renewable energy technologies, we not only reduce our environmental footprint but also empower communities by providing them with access to clean and affordable energy sources.

Many of our programs at AYM Syntex are aligned with the United Nations' Sustainable Development Goals (SDGs). By focusing on initiatives related to these overarching goals, we actively contribute to addressing critical global challenges. Our commitment to these SDGs reflects our dedication to creating positive social and environmental impact that goes beyond business and strives towards a more sustainable and equitable world.

Swasthya 3 6

Provision of **safe drinking water** to needy villages, benefitting **3200+** community members and **400+** school students.

3

Offering mobile health check-up vans to communities, thereby-benefitting **5000+** individuals.

Swabhiman 2 3

Established an **Anganwadi Centre in Randha village**, benefiting approximately **150** children in Rakholi.

1 2 4 5 10

A **Balwadi at Palghar** to help rural working mothers with daytime care and preschool curriculum for about **75** children.

Sudhar 3

Need-based initiatives that proactively respond to critical events or incidents by providing targeted assistance and support to affected communities.

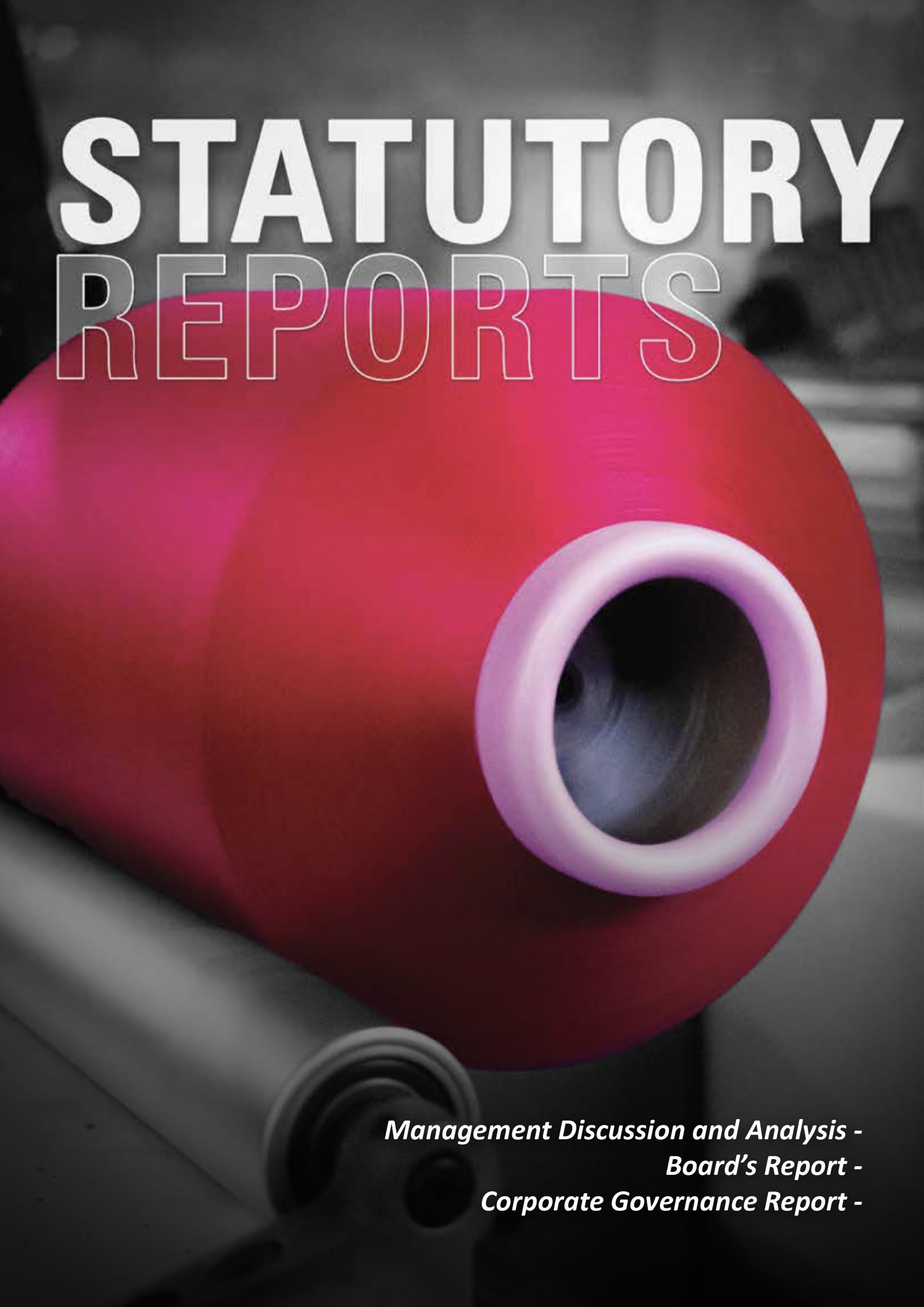
Shrishti 7 11

Solar-powered street lights strategically installed in key areas have provided benefits to three villages in Palghar, benefiting **1500+** community members.

UN Sustainable Developments Goals

1 No Poverty
2 Zero Hunger
3 Good Health & Well-Being
4 Quality Education
5 Gender Equality
6 Clean Water & Sanitation
7 Affordable & Clean Energy
8 Decent Work & Economic Growth
9 Clean Water & Sanitation
10 Reduced Inequalities
11 Sustainable Cities & Communities

STATUTORY REPORTS



Management Discussion and Analysis -

Board's Report -

Corporate Governance Report -

Management Discussion & Analysis

Management Discussion & Analysis (MD&A) covers the Financial, Economic and Industry performance overview, Operational Performance, Risk Management Framework, Internal Control Systems and other developments for the financial year ended March 31, 2023 in respect of AYM Syntex's business. This discussion should be read in concurrence with the Audited Financial Statements of AYM Syntex Limited, and the notes for the financial year ended March 31, 2023.

Cautionary Statement

The statements made in this Management Discussion and Analysis that pertain to the Company's objectives, plans, estimates, and expectations may be considered forward-looking statements under applicable laws and regulations. These statements, which discuss future performance and outcomes, are based on Management's current plans and assumptions using available information. However, these statements are subject to various risks, uncertainties, and potential inaccuracies in assumptions. Such forward-looking statements can be identified by the use of words like 'anticipate,' 'estimate,' 'expects,' 'projects,' 'intends,' 'plans,' 'believes,' 'aims,' 'drive towards' or similar expressions. While we have exercised prudence in our assumptions, we cannot assure that these forward-looking statements will materialise. We undertake no obligation to publicly update any such statement, whether due to new information, future events, or other circumstances.

Economic Overview

Global Economy

The global economy is still reeling from a series of major shocks, including the Covid-19 pandemic and the geopolitical conflict in Ukraine. These events have resulted in a significant expansion of government debt and a substantial hike in policy interest rates by several nations' central banks. While the effects of these shocks are yet to be fully realised, their impact on global growth is palpable. The economic forecast for the world remains modest, with growth expected to remain below its long-term average. The recovery of the Chinese economy, along with strong growth in some emerging markets, is anticipated to drive global growth. However, the contribution from the Eurozone and U.S. economies is expected to be less significant over the next two years.

The cost-of-living crisis has been a dominant conversation in various sectors. The impact of this extended period of uncertainty is being felt globally. From rising energy prices to increasing food costs, consumers and businesses are experiencing a significant financial squeeze, affecting global demand.

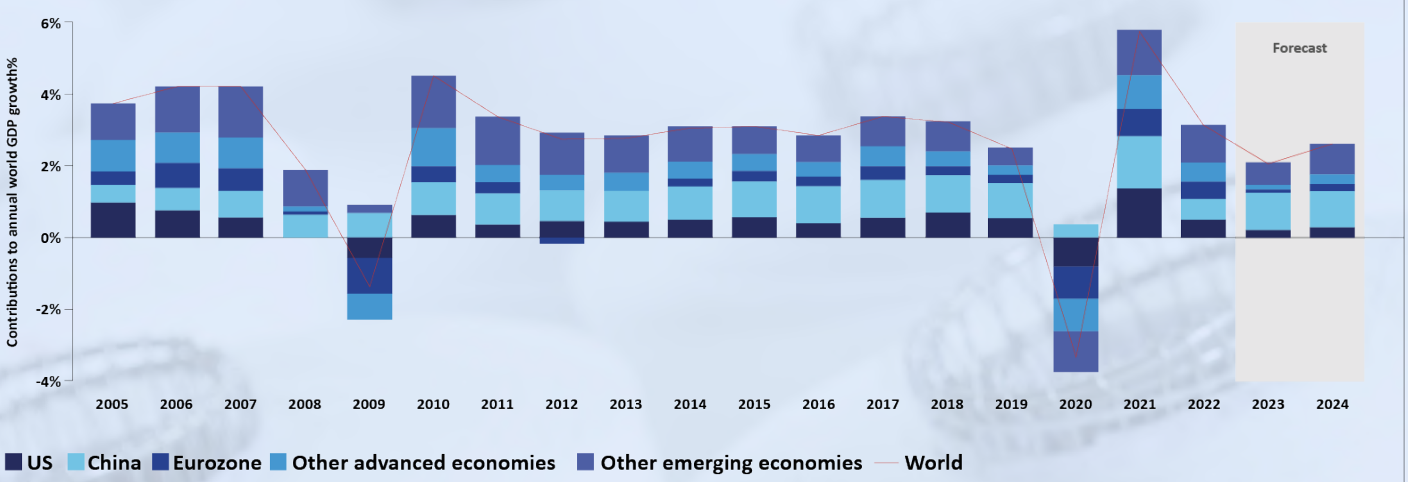
In the **United States**, a tale of two economies is emerging. Firms that benefited most from the pandemic-induced boom are pulling back, while startups and firms that were late to the recovery are still ramping up. The strong labour market is supporting the economy, but there is an increasing risk of a more prolonged and corrosive bout of inflation.

In **Europe**, consumer confidence has started to improve, although it remains at relatively low levels. The relatively high levels of savings during the pandemic could potentially be deployed once confidence returns, driving a boost in consumer demand.

In **South America**, new policies are being implemented that could potentially stoke inflation. However, the economic outlook is brightening, with cautious optimism about the future.

Despite these challenges, the labour market remains robust. This, combined with relatively strong personal savings among consumers, particularly in Europe and the Americas, could trigger a return to robust consumer spending. This could drive a return to slow but steady growth in key markets.

Global Growth Projections



Source: KPMG Global Economic Outlook H1 2023

Indian Economy

India's economic landscape has shown resilience despite facing global uncertainties. The country's domestic demand is expected to be a key driver of economic growth, buoyed by a strong push in capital expenditure from the government to promote investments and job creation. However, global geopolitical tensions and the slowdown in the global economy continue to pose risks to the outlook.

The effects of the global economic slowdown, driven by high inflation and the ongoing Russia-Ukraine conflict, have also impacted India's economic performance. In Q4 2022, the country recorded muted growth of 4.4%, compared to 6.3% in Q3 2022, with sluggish private consumption and exports being major contributing factors.

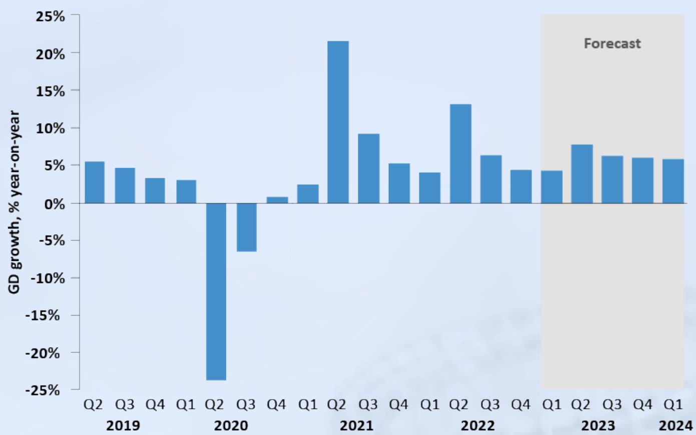
KPMG forecasts for India indicate a GDP growth of 7.0% for the fiscal year 2022-23, a decline from 9.1% in the previous year. However, the country's real GDP growth is projected to be 6.4% in 2023 and 6.9% in 2024. Inflation, unemployment rate, and other key indicators are also estimated to exhibit fluctuations during this period.

Despite the recent slowdown, India is poised to be one of the major growth drivers in 2023, powered by robust domestic demand and increased government expenditure. The Union Budget 2023-24 aims to boost consumption by improving the disposable income of taxpayers, while a significant increase in capital expenditure is expected to drive growth, investments, and job creation. The government's efforts to simplify regulations and foster ease of doing business will further contribute to a conducive environment for investments.

India faces challenges, such as a high unemployment rate and inflation above the Reserve Bank of India's upper tolerance limit. However, the RBI's focus on controlling inflation through policy rate hikes is expected to stabilise the economy. External factors, including the global economic slowdown and monetary tightening in advanced economies, may impact India's growth trajectory.

Overall, India's economy continues to show resilience and potential for growth, backed by strong domestic demand and proactive government initiatives. However, careful monitoring of global developments and effective policy measures will be crucial in navigating uncertainties and sustaining positive economic performance.

India's Quarterly GDP Growth



Source: RBI and National Statistical Office

Strategic Snapshot
Statutory Reports
Financial Statements

Industry Overview

Global Textile Industry

The global textile sector showcased moderate growth between 2022 and 2023, expanding from $573.22 billion to $610.91 billion. This represents a compound annual growth rate (CAGR) of 6.6%.

Unfortunately, the Russia-Ukraine conflict has significantly impacted the global economy's recovery from the COVID-19 pandemic. The ensuing economic sanctions, spike in commodity prices, and supply chain disruptions have induced inflation across various goods and services, negatively impacting markets worldwide.

Despite these challenges, the textile market is projected to grow to $755.38 billion in 2027, exhibiting a CAGR of 5.5%.

The Asia Pacific region emerged as the dominant player in the textiles market, capturing a substantial revenue share of 53.41% by the end of 2022. This growth was primarily fueled by the rising sales volume of clothing and apparel goods, along with the region's increasing population, which is expected to drive further significant expansion. With a promising Compound Annual Growth Rate (CAGR) of 9.7% from 2023 to 2030, the Asia Pacific region is poised for continued success. The presence of a large customer base on e-commerce platforms in developing economies further propels the overall growth of the textiles market. Moreover, increased penetration of organised retail, favourable organised retail, favorable demographics, rising income levels, and supportive government policies are anticipated to drive demand in countries like India, Bangladesh, Pakistan, and others. North America is also poised for fast-paced growth, driven by the surge in industrial manufacturing and an increasing number of product launches in the sports and fashion industries. The textiles market in the U.S. is witnessing heightened demand for industrial manufacturing and home textile sectors, driven by the growing awareness of the utility of technical textiles.

In Europe, favorable government policies and trade agreements, such as free-trade agreements and Euro-Mediterranean Dialogue, have contributed to the region's steady growth in the textiles market. The market volume in Europe was estimated at 53.865.2 million tons in 2022, and it is expected to continue expanding significantly over the forecast period.

Both North America and Central & South America are also expected to witness promising growth, fueled by the increasing popularity of sports and apparel, and home-furnishing textile products. Additionally, the consumption of textile fibers, particularly synthetic and cellulose fibers used for filtration in industrial applications, is likely to positively impact market growth in these regions during the forecast period.

Indian Textile Industry

The Indian textile and synthetic yarn industry has been a significant driving force behind the country's economy, providing employment opportunities for millions of individuals directly and indirectly. Despite the challenges posed by the COVID-19 pandemic, the industry demonstrated remarkable resilience in FY 2022-23, showcasing steady growth supported by robust domestic consumption and increasing export demand. The government's initiatives have also played a pivotal role in bolstering the sector, promoting productivity, and encouraging large-scale manufacturing.

Looking ahead, the Indian textile and synthetic yarn industry holds a promising outlook, with projections of reaching a staggering $300 billion by 2025, exhibiting a compelling Compound Annual Growth Rate (CAGR) of 7-8%. This optimistic forecast is attributed to the surge in domestic demand, burgeoning exports, and the favorable policy landscape set by the government. The synthetic yarn segment is poised for exponential growth, driven by the rising trend of athleisure, increasing demand for sustainable synthetic fibers, and advancements in technology, particularly smart textiles and digital printing.

The Indian government's aggressive push for 'Aatmanirbhar Bharat' aims to further elevate the industry by supporting it with additional reforms and incentives, positioning India as a global manufacturing hub for textiles and synthetic yarn. However, the industry also faces challenges, such as the necessity for modernisation, the impact of high raw material costs, and competition from other Asian countries, especially China. A well-balanced approach that takes these factors into account will be essential for ensuring sustained growth in the sector.

The overall Indian textile industry has experienced some weakening demand globally, attributed to factors like

Nevertheless, India's textile and apparel industry is expected to grow at a CAGR of 7-8%, with some forecasts even slating it at an impressive 10% by 2025-26. The government has proactively introduced various schemes for integrated textile parks, and export promotion policies.

The recent Union Budget for 2023-24 highlighted the government's strong commitment to the textile and apparel sector, with increased outlays for textile-centric schemes like RoDTEP, RoSCTL, and ATUFS. The introduction of the PM Mitra Park Scheme and the Production-Linked Incentive (PLI) Scheme for man-made fibre and technical textiles further emphasise the government's focus on the growth and development of the industry.

Moreover, the government's approval of investments for the creation of seven mega textile parks aims to streamline multiple verticals within the sector, from spinning and weaving to dyeing, printing, and garment manufacturing. These initiatives are expected to position India as a hub for man-made fibers and technical textiles globally. The government's encouragement of 100% FDI in the sector under the automatic route and plans to achieve significant growth in the export of technical textiles further enhances the industry's potential.

The Indian textile and synthetic yarn industry, along with the broader textile and apparel industry, is poised for robust growth and development. Driven by supportive government policies, rising domestic demand, and technological advancements, the sector is well-positioned to thrive in the coming years.

In a dynamic landscape, our industry stands at the cusp of transformation. This sector has demonstrated resilience and adaptability in the face of multifaceted challenges, from economic disruptions to supply chain complexities. As we transition towards a more sustainable future, we encounter a realm of opportunities and threats that shape our trajectory. From favourable government initiatives to retail and e-commerce expansion, our industry's growth is going to be propelled by strategic policies. However, challenges loom, including geopolitical uncertainties impacting global demand and fluctuating raw material costs. It is in this intricate landscape that we seek to navigate, leveraging our industry's inherent strengths while mitigating potential pitfalls.

Opportunities

- Favourable government initiatives (National Technical Textiles Mission, 100% FDI, SAMARTH Scheme) for textile industry development.
- India's 'China plus one' diversification policy.
- Retail sector and E-commerce expansion to boost textile and apparel industry.
- Rising disposable income driving domestic demand.
- Growing popularity of 'fast fashion' products contributing to industry growth.

Threats

- Geopolitical challenges leading to reduced demand.
- Fluctuating raw material costs affecting operations.
- Shortage of skilled workforce impacting order completion.
- Intense global competition, especially from China.

Business Overview

Global economy is going through unprecedented times in last few years - Ukraine-Russia conflict, logistical challenges, unseen levels of increases in commodity prices and decades' high inflation in western economies - have all come on the back of an extended pandemic and resulted in dampened business sentiments across industries worldwide. Textile sector in India has seen weakening demand since Q2 FY 23 due to persistent global inflation and lingering possibilities of recession. Against this backdrop, Company's revenue continued the momentum and were not badly affected which demonstrates the ability of scaled-up, quality-led and highly differentiated players to maintain an edge even during challenging times. For the year, our revenue stood at Rs 1458 Crores as against Rs 1497 crores in previous year. EBITDA achieved was Rs 104 Crores at a margin of 7% of Net revenue.

FY 23 started with a strong note however slowed down as the year progressed. Sales volumes were down because of lower demand in exports sales. Lower volumes & change in product mix has impacted overall sales. Increase in export cost and higher inventory cost have dented EBITDA margins. Price realization started trending down reflecting the softening of raw material prices. This was further worsened by stock losses caused by a sharp fall in raw material prices. However, the business continues to become more robust with each passing year. The strategic business of the company is in right direction. Margins are healthy and the business is profitable once quality, delivery challenges are overcome. Though not reflected in no's, Company has made enormous progress in year gone by while Increase in Raw Material prices, Power cost, demand fluctuations, logistic issues have dented the bottom line margins of the last year.

POY- Textile

The significant fall in the raw material prices coupled with decrease in the local and foreign demand, have adversely impacted the financial performance of the textile division. The outlook for upcoming quarters is likely to be on the same lines. Although, the decrease in raw material prices may hurt the company in short term in the upcoming couple of quarters but it certainly will help the Company in the medium to long term future. The Company is envisaging a promising outlook in the POY and Textile area and is expanding its capacity carefully in the strategic part of the business like technical yarns. Over a period, it is expected to replace some of the old lines with a different product mix, which require high maintenance and are used to produce low margin products. The objective is to use the existing infrastructure to replace the machinery so that the working capital and civil engineering cost are kept in check. The project is expected to be completed over the period of next 2 years. In the Interim period of say a couple of quarters there would be some production losses due to reduction in capacity, however, post that results will be encouraging.

We also managed to expand our sales network internationally, which will create a robust pipeline of new customers over the coming years. The export share

is now expected to further grow in the coming years. We will also continue to invest towards developing new export markets and scaling business profitably.

The company has improved the share of value-added products such as Mono yarns and Silque. Technical Yarn Business has consistently shown better performance and the company plans to invest in the business to reap the benefits and efforts put in by the Company in last couple of years. New investments in the business would be very robust and strategic in nature As company shall concentrate on specialized products only in the technical yarn space.

Floor covering

The floor covering business had seen some slowdown in demand and margins are under pressure due to increase in the Raw Material prices and Freight, however, the robustness of our floor covering business improved further. New customers got added to our portfolio and it further got diversified with additional business coming from alternate segments. New product development played a critical role in the growth and success of floor covering division and lot of innovative products got commercialized during the year.

The capacity expansion planned to cater to local demand got commercialized only in later part of FY 2022-23 after initial teething issues. The division performance has been impacted due to reduced demand in US and European markets however, the order position remained strong, Newer Market and customers in Europe and in America are also being explored. The Company has been expanding its capacity to meet the export demand.

Fundamentally Floor covering division is getting better from single polyester to now multi-polyester business. With this handling of business has become complex and there are newer challenges and initial operational setbacks like quality issues mainly due to the number of new products introduced. However, the focus is on continuous improvements and overcoming the initial teething issues faster.

AYM is well positioned in the market & is looked upon by the customers as a reliable supplier who can deliver quality product at the right price & on time. Leveraging on the relationship built with all the leading carpet companies world-wide all these years, the company is pitching all these innovative patent pending products. These products will differentiate AYM from all the competitors & we believe that these products will form the bulk of the sales going forward.

Package Dyed

Packaged dyed business was stable in FY 2022-23 both in volume and value terms. The Company has tried to offset the increased packing cost, Dyes & Chemical Cost and Coal Cost by passing on the portion of the higher cost to the Customers. There are some operational and people-related issues with high attrition in the first half of the year which was later tackled suitably by building a strong team again, For the last couple of years, overall business performance of Palghar was challenging and the company is working closely to fix it in terms of Business Strategy, Product Mix, Product Positioning etc.

The Company is looking to expand its business in the newer markets both domestic as well as internationally. In India also apart from south, a few states in North of India are explored. Plant has also made good progress in reducing the downgrades and wastages to enable the Company to compete with the competitors. Prices of Raw Material and logistics have gone down helping the business to stabilize.

Considering the global market scenario in terms of high logistic prices, Ukraine – Russia war, high domestic inflation, volatile raw material prices including cotton, Company is extremely cautious in its approach and is critically evaluating each step taken forward in the direction of setting up the new project at Palghar for forward integration in few niche segments. The Company is required to make the PLI Scheme obligated investments in next few years and a new company with the name of AYM textiles has already been incorporated during the year. The Company will proceed ahead with the expansion plan once the industry and global environment become more viable and stable.

India's textile sector growth was disappointing in FY 2022-23 on account of tepid global demand. Even as the slowdown affected our financials during the year under review, the Company embarked on measures to strengthen its business. The Company is using the slowdown as an opportunity to invest in its strategic part of business, and this would yield results in the years to come.

Going ahead, FY 2023-24 may not be able to achieve full potential because of challenges in operational and quality side, however, eventually in the coming years, company will see the efforts of the last many years culminate into a business that will deliver stable and relatively predictable results, less impacted by the vagaries of the market and more as a result of competing from a position of an unfair competitive advantage in our favour. Company needs to continue to remain focused on its medium to long term strategic priorities and growth pillars by laying emphasis on its long-term goal of sustainable growth, profitability, and deleveraging its Balance Sheet. The company might face challenges in the coming one or two quarters on account of slowness in demand impacted by external factors.

Going forward, Inflation is expected to remain elevated for the foreseeable future. In addition, the anticipated increase in interest rates by Central Banks in the coming year are also expected to lower growth and exert pressure on economies particularly those in emerging markets. Despite the headwinds, India is well-poised for steady progress and is increasingly making rapid strides with numerous global names considering our nation as a worthy manufacturing contender as opposed to China. The Company expects to be on a sustainable profitable growth momentum in years to come by building its strength in strategic segments, innovating newer customized products and successfully navigating the cost pressures.

Business Outlook

Global economy is going through tough times in last few years which has resulted in dampened business sentiments across industries worldwide. In today's uncertain and rapidly evolving world, characterized by shifting consumer preferences, industries are compelled to adapt and innovate like never before. As we delve into the business outlook for AYM, it is evident that our commitment to sustainability and responsible practices aligns seamlessly with the values and expectations of today's conscientious consumers. This dynamic landscape presents both challenges and opportunities, and our strategic focus on sustainability positions us to not only thrive in this modern context but to also contribute meaningfully to a more environmentally conscious future. As we reflect on the past year's performance, we look ahead to the future with a strategic vision aimed at navigating challenges and seizing opportunities to ensure a positive business outlook.

Demand in Textiles segment will vary by market. While domestic markets are expected to improve, US volumes may see modest growth or remain flat. Demand from Europe and UK is expected to remain muted. Things will change for better in case India is able to sign any free trade agreement with any of the key geographies. China + 1 strategy can also eventually play to our advantage leading to stronger business relationship with existing customers and presenting multiple opportunities for new markets & customer acquisition. Inflation is expected to remain elevated for the foreseeable future, and in addition, the anticipated increase in interest rates by Central Banks in the coming year are also expected to lower growth and exert pressure on economies particularly those in emerging markets. In these circumstances, the ability to successfully navigate cost pressures would have a significant bearing on the overall performance of your Company.

The Company is very cautiously evaluating the new projects and shall plan its expansion in strategic segments only. Despite near-term uncertainties, we remain optimistic about the medium term and intend to continue investing in our growth engines. As we embark on another year, we remain steadfast in our commitment to improve the margins led by premiumization along with further building operational efficiencies in manufacturing and supply chain. We also continue to focus on expanding our product range through new launches in our core portfolio. In the exports market, our share shall continue to grow the share of value-added products increasing higher than ever before.

With the focus on providing value-based offerings backed by the differentiation strategy and execution capabilities of the experienced professional team, the Company is expected to showcase a sustainable profitable growth in the coming years and to drive transformations through Recover, Reimagine and Rebuild.

HR Overview

A thriving, motivated, and engaged workforce is the foundation of our sustained growth. In our HR overview, we highlight the key areas that reflect our commitment to nurturing our people and fostering a culture of excellence and innovation.

Safety, Health, and Wellness

Safety is a non-negotiable priority at AYM Syntex. We aim for zero harm through occupational safety initiatives, risk plans, and technology, fostering a safety-first culture. We run health programs, check-ups, fitness activities, and mental well-being support programmes. Our comprehensive well-being plan supports families with pensions, scholarships, and medical insurance. We have a zero-tolerance policy against harassment and discrimination, ensuring respect for all employees. We have implemented a robust Policy on Prevention of Sexual Harassment at the Workplace and established an effective complaint and redressal mechanism, guaranteeing safety and privacy for all complainants. Our Vigil Mechanism and Whistleblower Policy further ensure that employees can speak up against any fraudulent activities within the company without fear.

Workforce that Drives AYM

Our core focus is to enhance functional depth, productivity, and stability within our workforce through well-structured programs. We prioritise the development of our employees through our personnel management system, including succession planning, upskilling, and reskilling programs. The journey involves building both functional and leadership capabilities, setting competency standards, conducting comprehensive assessments, and offering holistic learning solutions to address current business challenges. By providing personalised learning paths, we ensure our employees are equipped with the skills and knowledge needed to excel in their careers. We ensure our employees have abundant opportunities for lateral growth, internal mobility, and career advancement.

Development with Engagement

By engaging with our employees through open communication channels, recognising their achievements, and empowering them to take ownership of their tasks, we create a work environment that truly nurtures and develops creativity with a sense of purpose. Our HR initiatives such as HR at the Door, agenda-driven Town Halls, and our robust rewarding mechanism GloryUs 3.0 focus on continuous communication, recognition, and support to keep our employees motivated and committed to their work.

Acquiring and Retaining Top Talent

Our success hinges on the quality and dedication of our workforce. Not only do we hire freshers from premium institutes and lateral hires from other reputable organisations but we also empower our employees to reach their full potential through tailored training programs, mentorship opportunities, and an open culture of knowledge sharing. Our low attrition rate of 3% is a testament to our commitment to providing a workplace where individuals can thrive and grow. In FY 2022-23, we welcomed 258 new personnel to our team, further enriching the diverse tapestry of skills and perspectives within our organisation.

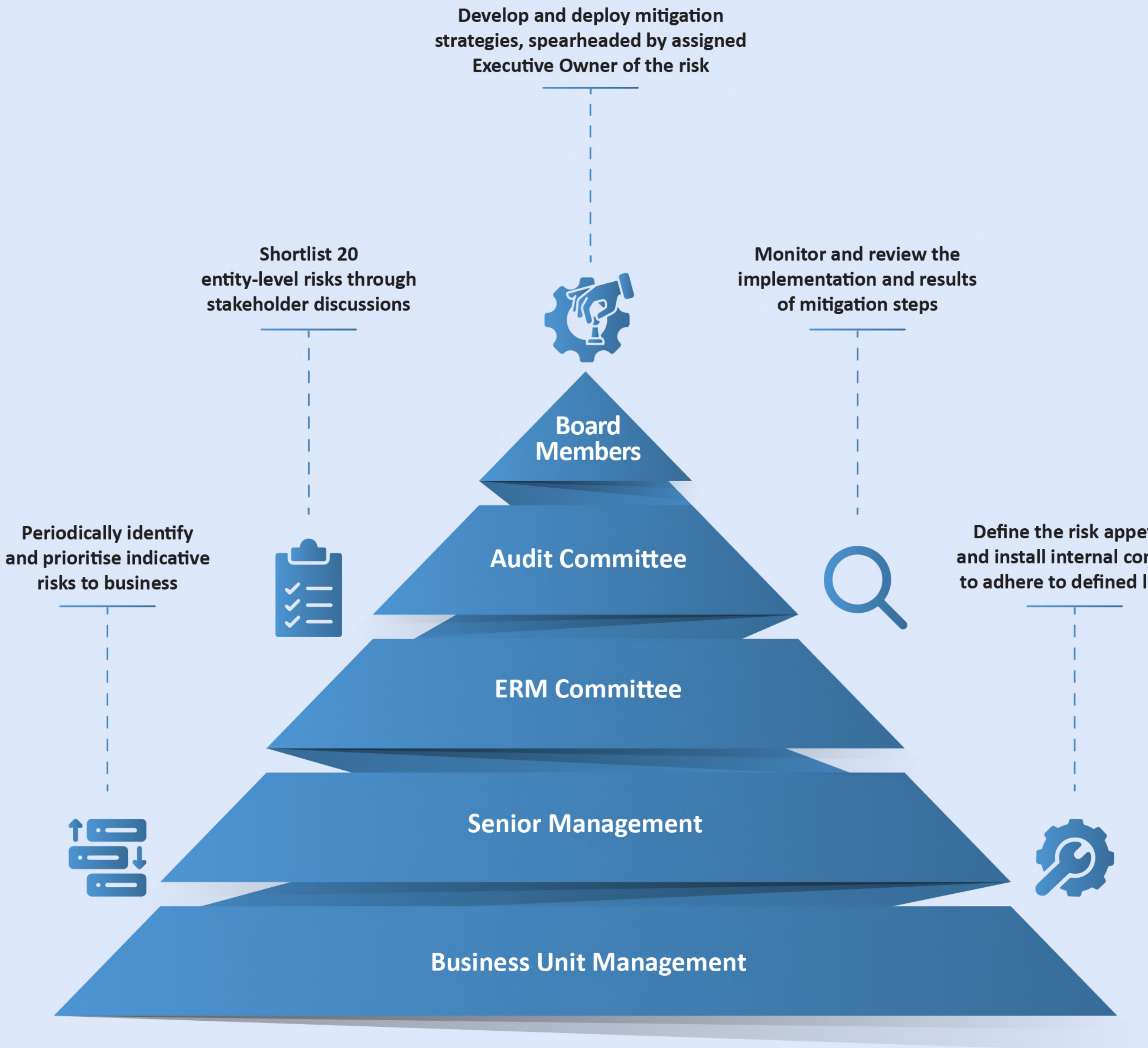
As we continue to expand and innovate, we keep an emphasis on attracting and retaining top talent. By cultivating an atmosphere of collaboration, innovation, and mutual respect, we ensure that AYM remains a preferred employer seeking a dynamic and fulfilling career journey.

Risk Governance and Management

Risk management is a fundamental aspect of our business strategy. We approach risk management with a comprehensive view, encompassing strategic, operational, compliance, financial, and catastrophic risks, thus enabling informed decision-making across all levels of the organisation. Our structured and uniform Enterprise Risk Management (ERM) Framework plays a pivotal role in fostering business resilience, especially in navigating today's volatile and uncertain business climate.

ERM Framework

Under our ERM Framework, we have laid down a comprehensive Risk Management Policy, defining the process for identifying, assessing, mitigating, monitoring, and reporting risks. We diligently consider primary, secondary, consequential, and residual risks in making strategic decisions, with resource allocation guided by a qualitative and quantitative risk impact assessment. This approach empowers us to navigate the dynamic and evolving business environment, fostering resilience and success for our organisation and all stakeholders involved.



Key Highlights of Enterprise Risks identified for FY 2022-23 with Mitigation Strategies

Operational Risks

Risk Type & Description	Mitigation & Strategies
Commodity price risk Unexpected changes in commodity prices and supply could impact business margins and ability to service demand. The past few years have witnessed wide fluctuations in input prices. As a result, the overall uncertainty in the environment continues to be high. Increase/frequent changes in raw material prices may impact profitability resulting in lower margins.	• The Company has defined norms for building strategic inventory positions as a hedge against price volatility • Diversifying sourcing and closely collaborating with suppliers. Negotiating long-term contracts, wherever necessary. • Material cost reduction through Value Analysis and Value • Engineering (VAVE) is underway.
IT systems and security Loss of sensitive information due to unauthorised access or cyber attach leading to data privacy breach, loss of records, or other event due to a hack/ virus, stolen/lost device, phishing attacks, among others. Delay in adoption of latest technologies and information systems in business resulting in inefficiency, operational dependencies, integration issues between multiple legacy systems.	• Identification of business critical IT systems and having a disaster recovery plan in place. • Performing periodic internal assessments for the controls implemented to ensure continuity of operations. • Use of standardised back-up tools, services and procedures to ensure that information and data are stored at two or more diverse locations.
Talent acquisition and retention Non-availability of competent workforce, failing to attract, retain, engage and develop a diverse workforce with critical skills and capabilities, high attrition coupled with retention challenges, lack of succession process for key roles can be a huge risk to business.	• Initiated measures including rolling out strategic talent management system, training and integration of learning and development activities • Succession planning process for critical roles initiated • Bench strength created to ensure availability of resources. • Instituting development plans to upskill and reskill employees for future roles and bringing in flexible talent to access new skills.
Manufacturing excellence, quality consistency and cost competitiveness Inadequate quality systems & processes and lack of safety practices at plant leading to poor quality of products. This may lead to loss of business and repuration in the market, poor quallity will also result into increase in customer complaints.	• Quality Control System has been developed and any deviation in the same is being analyzed. • Frequent interaction are done with customers and their feedbacks are noted and implemented; Systems are aligned as per the requirements of Customers. • Adopting initiatives such as business process re-engineering and focusing on improving plant throughput while tightening qlty controls processes

Regulatory Risks

Risk Type & Description	Mitigation & Strategies
Regulatory and Compliance Risk Changes in International and Domestic laws, rules, policies, tax regulations, technical standards and trade policies	• Mitigating risks through regular review of legal compliances as well as external compliance audits. • In the process of implementing an enterprise-wide compliance management system, capable of effectively tracking and managing regulatory and compliance requirements.

Strategic Risks

Risk Type & Description	Mitigation & Strategies
Competiton Risk With the increasing number of competitors accross marketplaces, aggressive pricing by competitors, maintaining market shares and pricing power is critical to sustained growth. Competitors may also take away customers and talent leading to the loss of buisness.	• New customized products are developed basis customer requirements to have an edge over competition • Diversification in product offerings and ensuring availability, thereby leading to wider presence and reach • Building agile marketing response mechanisms to counter competitive moves
Changing consumer preferences Consumer tastes, preferences and behaviours have been evolving over the years, due to various factors, such as, demographic changes, technological advancements.	• Investing in consumer in-sighting to adapt to changing consumer preferences. • Shape a brand communication to effectively reach the consumer and convey its proposition and purpose. • Frequent consumer awareness campaigns and outreach initiatives to demonstrate the value of products.
Underperformance of new product launches Given that the success rate for new product launches is typically low, new products may not gain traction among consumers or may fail to scale up as planned.	• The company constantly innovates and diversify its portfolio to stay ahead of its competition. • To Invest in a new product development process with a funnel approach to ensure continuous flow of new ideas, coupled with rigorous governance around scalable ideas. • Prototyping approach to new product introductions for accelerated learning and adjustment.

Financial Risks

Risk Type & Description	Mitigation & Strategies
Volatility in interest rates Textile industry being capital intensive, Changes in the interest regime and in the terms of borrowing could impact the financial performance of the Company by putting pressure on margins	• Maintain a liquidity chest for immediate working capital requirements. • Managing interest rate risk through strategies including maintaining an optimal mix of different loan types and maturities.
Foreign currency exposure The Company is exposed to a wide variety of currencies. Fluctuations in currencies could impact the Company's financial performance. The risk of currency depreciation is accentuated during the period of high inflation in the global economy.	• Managing our foreign exchange risk actively within the framework laid down by the Company's forex policy • approved by the Board Transaction risks continues to be unhedged as we have both imports and exports and hence a natural hedge.

Internal Control System

Our Company has a set of policies, procedures and practices designed to safeguard its assets, ensure accuracy and reliability of financial information, and to promote operational efficiency. It helps to prevent fraud, detect errors, and ensure compliance with laws and regulations. This sets the tone for the organisation, emphasising the importance of integrity, ethical values, and accountability. By identifying and analysing potential risks, it helps to focus control efforts on critical areas and prioritise resources effectively. An internal control system is a vital component of an organisation's governance structure, designed to ensure the reliability of financial reporting and the effectiveness of operations. Therefore, Independent Internal Auditors regularly test these internal controls to assess their adequacy and reliability. The Audit Committee of our Company has appointed M/s Suresh Surana & Associates LLP as our Internal Auditors. These key focus areas by the internal auditors are Financial Reporting Controls, Segregation of Duties, Access Control, Monitoring & Review, Compliance Controls and Documentation & Record Keeping.

By testing these internal controls regularly, auditors provide assurance to stakeholders, management, and the board of directors that the organisation's systems are functioning as intended, thereby enhancing the reliability of the financial statements and the overall business operations. All possible measures are taken by the Audit Committee to ensure the objectivity of the Internal Audit process and independence of the Internal Auditor, including quarterly one-on-one discussions. The Audit Committee reviews the adequacy of design and the effectiveness of the internal control systems, takes note of significant audit observations and monitors the sustainability of remedial measures. The internal audit programme is reviewed by the Audit Committee at the beginning of the year to ensure that the coverage of the areas is adequate. Reports of the internal auditors are regularly reviewed by the management and corrective action is initiated to strengthen the controls and enhance the effectiveness of the existing systems. Summaries of the reports and actions taken on audit findings are presented to the Audit Committee of the Board. The company also has a management audit team which is responsible for monitoring the implementation of action points arising out of internal audits. All audit observations and follow up actions thereon are tracked for resolution by the Internal Auditors and reported to

the Audit Committee. The statutory auditors, as part of their audit process, also carry out a systems and process audit to ensure that the ERP and other IT systems used for transaction processing have adequate internal controls embedded to ensure preventive and detective controls.

The Company also has a system of Internal Control over Financial reporting (IFC) ensuring the accuracy of the accounting system and the related financial reporting. IFC means the policies and procedures adopted by a company for ensuring accuracy and completeness of accounting records; orderly and efficient conduct of business, including adherence to policies; safeguarding of its assets; prevention and detection of frauds and timely preparation of reliable financial information. The management assesses the appropriateness and effectiveness of these financial controls and are also validated by Internal Auditors as well as Statutory Auditors.

For the year ended March 31, 2023, the Board is of the opinion that the Company has adequate IFC commensurate with the nature of its business operations, wherein controls are in place and operating effectively and no material weakness exists. The Statutory Auditors have also issued an audit report expressing satisfaction on the adequacy and effectiveness of the internal financial control systems over financial reporting. During the year under review, there were no risks which in the opinion of the Board threaten the existence of the Company.

In the company's ongoing commitment to improving internal controls, it continues to embrace technology and embark on an automation journey. By leveraging cutting-edge technological solutions, the company aims to enhance the efficiency, accuracy, and effectiveness of its internal control system. The company is actively automating repetitive and routine processes within its internal control framework. By doing so, it reduces the potential for human error and ensures consistency in control execution. Technology-enabled workflows are being implemented to streamline the flow of information and approvals across various departments. This not only expedites decision-making but also enhances the segregation of duties. The automation journey is a continuous process, and the company is committed to regular assessments and updates to optimise the effectiveness of the internal control system continually.

Financial Performance Overview

In the economic landscape of 2022–23, countries worldwide experienced headwinds in the form of escalation in geopolitical tensions causing economic uncertainty, including surging energy and food prices, mounting inflation rates, and volatile markets. Organisations faced operational hurdles, such as soaring commodity prices, logistics disruptions, and the impact of the Ukraine-Russia conflict, coupled with rising interest rates. Our company has also faced challenging operating environment during FY 2022-23, both in domestic and international markets.

The year was marked with turbulence on account of uncertainty due to war, historically high and persistent global inflation and volatile movements in raw material prices and transaction currencies. The revenue from operations stood at Rs. 1457.8 Cr as against Rs. 1491.4 Cr in the year before, in line with the fall in sales volume. Operating margin was maintained in the range of 7-8% through the quarters.

Exports market especially in the developed countries like USA, Europe, Canada were weak in the year FY 2022-23, however, the company share of revenue in exports increased further both in value and volume terms in the said year. Freight cost was elevated remained elevated in first quarter of the year, however, from 2nd quarter onwards it started tapering down and by year end it regained normalcy levels of pre-covid and in few regions even lower that the earlier levels.

While the costs remained largely under control, the dent in margins was more on account of product mix and slowness in the demand coupled with volatile raw material prices. Lot of new innovative products are also being tried at the same time and that is causing a strain on our P&L in the form of higher sampling and R&D costs for the time being but it will open the doors for us in strategic segments which for long term would create an edge for AYM.

Highlights for the year ended March 31, 2023:

₹ Crores

Particulars	Year ending March 31			
	2023		2022	
	₹ Crores	% of Revenue	₹ Crores	% of Revenue
Sales Volume (MT)	61,182		63,031	
Net revenue from operations	**1,457.8**		**1,491.4**	
Expenditure				
Cost of Materials	872.0	59.8%	854.0	57.3%
Employee Cost	65.5	4.5%	64.6	4.3%
EBITDA Margins	**103.1**	**7.1%**	**166.1**	**11.1%**
Finance Charges	36.0	2.5%	35.9	2.4%
Depreciation	56.5	3.9%	50.6	3.4%
Tax	3.5	0.2%	28.8	1.9%
Profit after Tax	**7.2**	**0.5%**	**50.8**	**3.4%**
Other Comprehensive Income	0.7	0.1%	0.1	0.0%
Total Comprehensive Income	**7.9**	**0.5%**	**50.9**	**3.4%**
Earnings per share (EPS) - Rs	1.4		10.1	

Revenue

Net revenue from operations stood at Rs 1457.8 Cr, recording 2.3% decline as compared to the previous year. In terms of volume, sales are lower by about 2.9% over the previous year. The year witnessed drop in quarterly sales on account of emerging weaker sectorial trend in second half of the year.

Exports during the FY 2022-23 were of Rs. 677.20 Crores as compared to Rs. 661.58 Crores during the previous year. The gains in export sales are in line with the Company strategy and its share in total revenue has increased from 45.4% in FY 22 to all time high of 47.5% in FY 23 due to increased footprint in South America and Asia.

Cost of Material

The cost of materials comprises consumption of raw material, packing material, dyes & chemicals, changes in inventories of finished goods, work-in-process. The cost of materials is at 59.8% of Revenue, which has increased by 2.5% from 57.3% in previous year. The reasons include falling trend of raw material prices, strengthening of principal currency of imports and post covid inflation resulting in increase in cost of indigenously sourced materials. With increase in production and change in mix, cost of materials is expected to come down.

Employee Cost

Employee cost includes salaries, wages, annual performance incentives, statutory bonus and gratuity, contribution to provident and other funds and staff welfare schemes expenses (except actuarial gain / (loss) on defined benefit plans). It also excludes labour engaged on contractual basis. During the year under review, employee cost stood at Rs. 65.5 Cr. Lower revenue meant a slight increase of the cost at 4.5% of revenues compared to 4.3% in previous year. The same is in line with the increase in head counts and compensation.

It is in accordance with the company's continuous efforts to put in place, the adequate team structures to fuel the future growth. With resource optimization in mind, it had worked upon restructuring the roles to ensure focused approach towards key goals.

Earnings before Interest, Tax, Depreciation & Amortization (EBITDA) Margins

EBITDA in FY 2022-23 was reported at Rs 103.1 Cr. The margin reduced to 7.1% of revenue compared to previous year margin of 11.1%. Lower EBITDA is on account of lower margin over raw material cost, lower realisation following raw material prices, increase in cost of consumables and higher power cost.

Finance Cost

Finance charges include interest on borrowings and financial charges. The finance charges in FY 23 has seen insignificant change from Rs.35.94 cr to Rs.35.99 cr in the year. There is slightly higher usage of working capital facilities, and the Company has availed new loan facilities (including Inter Corporate Deposit). Company is able to reduce the cost of debt as compared to last year, despite rising interest rate scenario and addition of new loan for capex and working capital requirements by introducing new bankers in its portfolio. Further tightening of monetary policy by RBI may continue to impact the finance charges in coming year.

Depreciation

Depreciation has increased from Rs 50.6 Cr in FY 22 to Rs 56.5 Cr in the current year. The increase is on account of on-going modernization and expansion projects going on stream. Depreciation is expected to remain around the similar level with only moderate and routine capex in the coming year.

Tax Expense

During FY 23, the company incurred normal tax after utilising all unabsorbed losses. The company has paid taxes after utilising the MAT credit to the extent available. The company expects to utilise its MAT credit available and does not foresee the situation of it getting expired without being utilised in the coming years.

Profit after Tax

Profit after Tax has recorded year on year decline of 85.9%. The profits after tax stood at Rs 7.2 Cr in FY 2022-23 as compared to Rs 50.8 Cr in FY 2021-22.

Tax Expense

During FY 23, the company incurred normal tax after utilising all unabsorbed losses. The company has paid taxes after utilising the MAT credit to the extent available. The company expects to utilise its MAT credit available and does not foresee the situation of it getting expired without being utilised in the coming years.

Profit after Tax

Profit after Tax has recorded year on year decline of 85.9%. The profits after tax stood at Rs 7.2 Cr in FY 2022-23 as compared to Rs 50.8 Cr in FY 2021-22.

Total Debt

Debt figure includes all the long-term and short-term borrowings but excludes lease liability. Gross Debt* as on March 31, 2023, stands at Rs 268 Cr as against Rs 273 Cr at the end of FY 2021-22. Cash and cash equivalents of the Company in FY23 stood at Rs 22.2 Cr as compared to Rs 20.7 Cr in the FY22, Net Debt as on March 31, 2023, stands at Rs 245.8 Cr after reducing the cash and bank balance and liquid investment versus Rs 252.5 Cr at the end of FY22. The debt has reduced on reduction of short-term borrowings.

Net Debt to EBITDA ratio for the current year stands at 2.4 as compared to 1.5 in the previous year on account of lower EBITDA.

Fixed Assets

Fixed assets (tangible and intangible) including Capital work-in-progress stands at Rs. 471.5 Cr at end of FY23 as compared to Rs 457.3 Cr at the end of previous year. This increase has been on account of capex on additional facilities.

Key Ratios

Key capital efficiency & profitability ratios have been highlighted which provides a snapshot of the health of Balance sheet. With relatively weaker performance in FY 23, the ratios deteriorated over the last year.

Key Ratios	FY 2023	FY 2022
Return on Capital Employed *(RoCE)*	6.8%	17.3%
Debt: Equity	0.64	0.67
Net Debt: EBITDA	2.38	1.52
Debt Service Coverage Ratio	1.07	2.12
Interest Coverage Ratio	1.33	3.22
Current Ratio *(Ex Current portion of Long Term Debt)*	1.47	1.38
Working Capital *(no. of days)*	19	18
Debtors Turnover *(no. of days)*	28	28
Inventory Turnover *(no. of days)*	81	68

**Gross debt does not include lease liability*

Outlook

Stepping into 2023, it is likely that surging inflation, energy insecurity, and softening commodity prices will continue to challenge our industry. In the near term, the company's operations might be temporarily impacted due to slow demand in exports and domestic market which could impact revenue growth. The immediate outlook remains cautiously optimistic as macroeconomic headwinds persist. However, with the transient effects of pandemic behind and expected stability in geo-political environment, ease of inflation in the developed export market going forward and stable raw material prices, the demand is expected to rise in medium term.

The company is largely focused on improving quality and sustainability of business with improved product mix with new product developments, expansion of strategic areas like floor covering and technical yarn as well as various cost reduction initiatives. We are preparing ourselves to navigate through a challenging operational environment and create sustainable value for all stakeholders through emphasis on a customer-focused and value driven approach. Our future growth and value creation will be driven by our differentiation strategy based on innovation, customer centricity, sustainability and focus on the exports market. Our differentiated business model will eventually enable sustained revenue growth despite pricing pressures, economic uncertainties globally and regulatory concerns that could further impact the industry.

BOARD'S REPORT

Dear Shareholders,

Your Directors are pleased to present 40th Annual Report together with Audited Statement of Accounts of the Company for the financial year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

	Standalone		Consolidated
Particulars	**2022-23**	**2021-22**	**2022-23**
*Revenue from operations	1,45,778.22	1,49,145.95	1,45,778.22
Other Income	786.85	435.91	786.85
Total revenue	1,46,565.07	149,581.86	1,46,565.07
EBIDTA	10,314.85	16,606.47	10,314.32
EBIDTA Margin (%)	7.08	11.10	7.08
Finance Costs	3,599.41	3,593.89	3599.42
Depreciation and amortization expense	5,651.87	5,055.83	5651.87
Profit before tax	**1,063.57**	**7,956.76**	**1063.03**
Current Tax	435.59	1,403.55	435.59
Deferred tax	(88.76)	1,471.78	(88.76)
Profit after tax	**716.74**	**5,081.43**	**716.20**
Other comprehensive income for the year, net of tax	74.92	13.06	74.92
Total comprehensive income for the year	791.66	5,094.49	791.12
Earnings per share (Basic)	1.43	10.14	1.42
Earnings per share (Diluted)	1.41	10.01	1.41

**Revenue from operations excludes other operative income.*

DIVIDEND

In order to conserve the resources of the Company, the Board has not recommended dividend on equity shares during the year under review.

AMOUNT TRANSFER TO RESERVES

Your directors do not propose to transfer any amount to the reserves.

COMPANY'S PERFORMANCE AND OUTLOOK

Standalone:

Revenues from operations (net) were at Rs. 1,45,778.22 Lakhs as compared to Rs. 149,145.95 Lakhs in the previous year. Exports during the financial year 2022-23 were of Rs. 67,719.78 Lakhs as compared to Rs. 66,157.75 Lakhs during the previous year.

The Profit Before Tax for the full year has declined to Rs. 1,063.57 Lakhs as compared to Rs. 7,956.76 Lakhs and PAT has declined to Rs. 716.74 Lakhs as compared to Rs. 5,081.43 Lakhs in the financial year 2022-23.

Consolidated:

The Company incorporated a subsidiary "AYM Textile Private Limited" on June 27, 2022. Accordingly, the Company is required to prepare consolidated financial statements for the first time for the year ended March 31, 2023. During the period ended March 31, 2023, subsidiary has not carried any commercial transactions. Accordingly, the consolidated financial results are tabulated above.

As the subsidiary was incorporated during the FY 2022-23, corresponding figures for the year ended March 31, 2022 are not required to be furnished in the these consolidated financial statements.

SHARE CAPITAL AND LISTING

Issue of Employee Stock Options

Pursuant to the exercise of options by the grantees, the Company has allotted 1,02,680 equity shares under the AYM ESOP Scheme 2018 and 97,000 equity shares at the face value of Rs. 10/- each under the AYM ESOP Scheme 2021. The said shares are listed on The Bombay Stock Exchange Limited and The National Stock Exchange of India Limited.

In compliance with the provisions of Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and SEBI (Share Based Employee Benefits) Regulations, 2014, as amended thereto, the details of Employees Stock Option Schemes of the Company as on March 31, 2023, are furnished in Annexure A attached herewith and forms part of this Report.

Issue of Equity Shares with Differential Rights

The Company does not have any equity shares with differential rights.

Issue of Sweat Equity Shares

During the year under review, the Company has not issued any sweat equity share.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) read with Section 134(5) of the Act, the Directors hereby confirm that:

a) in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2023 and of the profit and loss of the Company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

BOARD'S REPORT

d) the directors had prepared the annual accounts on a going concern basis;

e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)

The Company's Board comprises of a mix of executive and non-executive directors with considerable experience and expertise across a range of fields such as finance, accounts, general management and business strategy.

There has been no change in the composition of Board of Directors and Key Managerial Personnel during the year under review. The details of the directors and their meetings held during the year have been given in the Corporate Governance Report, which forms part of the Annual Report.

Pursuant to the provisions of sub-regulation (6)(e) of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Members of the Company have approved the remuneration payable to Mr. Abhishek Mandawewala, Managing Director and CEO & Mrs. Khushboo Mandawewala, Whole Time Director of the Company, by passing special resolution(s) vide postal ballot notice dated February 4, 2023.

Further, in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Khushboo A. Mandawewala is retiring by rotation at the 40th Annual General Meeting and being eligible has been recommended for re-appointment as a director liable to retire by rotation by the Board.

A brief resume and other details as required under the Act and Listing Regulations for re-appointment of Directors is provided in the Notice of the 40th AGM of your Company.

COMMITTEES OF THE BOARD OF DIRECTORS

Information on the Audit committee, the Nomination and Remuneration committee, the Stakeholders Relationship committee, the Corporate Social Responsibility Committee and meetings of those committees held during the year is given in the Corporate Governance Report forming part of this Report.

DECLARATION BY AN INDEPENDENT DIRECTOR(S)

All Independent Directors of the Company, namely, Mr. Atul Desai, Mr. Mohan K. Tandon and Mr. K.H. Viswanathan, have given their declaration that they meet the eligibility criteria of independence as provided in Section 149(6) of the Companies Act, 2013 ("The Act") and Regulation 25(8) of SEBI (LODR) Regulations, 2015 ("LODR") and that there is no change in the circumstances as on the date of this report which may affect their status as an independent director.

Your Board confirms that in its opinion, all the independent directors fulfill the conditions prescribed under the Act and LODR and they are independent of the Company and its management. All the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs (IICA), Manesar, Gurgaon, Haryana-122052 as notified by the Central Government under Section 150(1) of the Companies Act, 2013 and are exempted from undergoing online proficiency self-assessment test.

Policy on Directors' Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Act is placed on website of the Company and web link thereto is
https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances

BOARD EVALUATION

During the year under review, the evaluation of the annual performance of individual Directors including the Chairman of the Company and Independent Directors, Board and Committees of the Board was carried out under the provisions of the Act, relevant Rules, and the Corporate Governance requirements as prescribed under Regulation 17 of Listing Regulations and based on the circular issued by SEBI dated January 5, 2017, with respect to Guidance Note on Board Evaluation. The Nomination and Remuneration Committee had approved the criteria for the performance evaluation of the Board, its committees and individual Directors as per the SEBI Guidance Note on Board Evaluation.

The evaluation for the performance of the Board as a whole and of the Committees were conducted by way of questionnaires. In a separate meeting of Independent Directors, the performance of Non-Independent Directors and performance of the Board as a whole was evaluated. Further, they also evaluated the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-executive Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual Directors based on the criteria such as qualification, experience, knowledge and competency, fulfilment of functions, availability and attendance, initiative, integrity, contribution and commitment etc., and the Independent Directors were additionally evaluated on the basis of independence, independent views and judgement etc. Further the evaluation of Chairman of the Board, in addition to the above criteria for individual Directors, also included evaluation based on effectiveness of leadership and ability to steer the meetings, impartiality, etc.

The Chairman and other members of the Board discussed upon the performance evaluation of every Director of the Company and concluded that they were satisfied with the overall performance of the Directors individually and that the Directors generally met their expectations of performance.

The summary of the feedback from the members were thereafter discussed in detail by the members. The respective Director, who was being evaluated, did not participate in the discussion on his/her performance evaluation.

They were satisfied with the overall performance of the Directors individually and that the Directors generally met their expectations of performance.

The Board also assessed the fulfillment of the independence criteria as specified in Listing Regulations, by the Independent Directors of the Company and their independence from the management. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria such as diversity in the Board, competency of Directors, strategy and performance evaluation, evaluation of performance of the management and feedback, independence of the management from the Board etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as mandate and composition, effectiveness of the committee, independence of the committee from the Board, contribution to decisions of the Board, etc.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR policy of our Company as approved by the Board of directors' is hosted on the Company's website and web link thereto is https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances The annual report on CSR, under Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, is annexed as **Annexure B;**

MEETINGS OF BOARD OF DIRECTORS

Four meetings of the Board of Directors were conducted during the financial year 2022-23, details of which are given in the Corporate Governance Report forming part of the Annual Report. The maximum interval between any two meetings did not exceed as prescribed in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

HOLDING, SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company is a subsidiary of Mandawewala Enterprises Limited.

Further, the Board in its meeting held on May 7, 2022, had approved forming a new Wholly Owned Subsidiary (WOS) Company namely AYM Textiles Private Limited (AYM Textiles). As on March 31, 2023 the Company has 1 subsidiary Company and there have been no commercial transactions during the year. AYM Textiles was incorporated vide Certificate of Incorporation dated June 27, 2022 duly issued by the Registrar of Companies, Mumbai.

AYM Textiles has yet to commence its business operations. AYM Textiles was incorporated as WOS of the Company to fulfill the stipulations specified for participation under the New Production Linked Incentive (PLI) Scheme of GOI for Textiles. A report on the performance and financial position of (AYM Textiles is attached in Form AOC-1 as **Annexure C** to this Report. The Policy on Material Subsidiaries of the Company is placed on the website of the Company and can be accessed at https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website at (link).

The Company did not have any joint ventures or associate companies during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

Particulars of investments made, loans and guarantee given and securities, if any provided under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements.

PARTICULARS OF EMPLOYEES

The statement of disclosures of remuneration as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is annexed as Annexure E and forms an integral part of this Report.

The information regarding employee remuneration as required pursuant to Rule 5(2) and 5(3) of the above Rules is available for inspection. A statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules will be provided upon request. In terms of first proviso to Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars, which is available for inspection by the members. Any member interested in obtaining a copy thereof may write to the Company Secretary.

None of the employees holds (by himself or along with his / her spouse and dependent children) more than 2% of the equity shares of the Company.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS (IFC) WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company believes that internal control is a prerequisite of governance and that action emanating out of agreed business plans should be exercised within a framework of checks and balances. The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The management is committed to

BOARD'S REPORT

ensuring an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

Your Company has well documented Standard Operating Procedures (SOPs) for various processes which are periodically reviewed for changes warranted by business needs. The Internal Auditors continuously monitor the efficiency of the internal controls / compliance with the SOPs with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes.

For the year ended March 31, 2023, the Board is of the opinion that your Company has sound IFC commensurate with the nature of its business operations, wherein adequate controls are in place and operating effectively and no material weakness exists.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Your Company has formulated a policy on related party transactions, which is also available on Company's website at https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances This policy deals with the review and approval of related party transactions and any significant modifications in the said transactions. The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length basis. All related party transactions are placed before the Audit Committee for review and approval.

All related party transactions entered during the year 2022-23 were in ordinary course of the business and at arm's length basis. No material related party transactions i.e., transaction exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the Financial Year by your Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable to your Company and hence does not form part of this report.

Members may refer to note no. 48 to the financial statement which sets out related party disclosures pursuant to IND AS-24.

VIGIL MECHANISM

Your Company is committed to the highest standards of ethical, moral and legal business conduct. Accordingly, the Board of directors has formulated Whistle Blower Policy and Vigil Mechanism for its directors and employees and any director or employee may make protected disclosures to the Chairman of the Audit Committee. No personnel have been denied access to the Audit committee.

ANNUAL RETURN

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the annual return is placed on the website of the Company and can be accessed at https://www.aymsyntex.com/investors/shareholder-information

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

a. **Conservation of energy:**

(i) the steps taken or impact on conservation of energy:

- Installed high efficiency motors in 5 Utility Machines resulting in saving of 15% power consumption.
- Installed DIDW (double inlet double width) AHU supply fans by replacing SISW (Single inlet single width) AHU supply fans resulting in saving of 15% power consumption.
- Replaced 3 Screw compressors with one centrifugal compressor.
- Reduce the Speed of Dyeing 11 Pump By Ac drive Installation to reduce energy consumption by 7.5 Kw/hr.
- Jet Cleaning of MEE to reduce energy consumption by 7.75 KW/hr i.e., 186 Unit/day.

(ii) the steps taken by the Company for utilizing alternate sources of energy:

- Biomass Boiler installed by replacing Furnace oil boiler for steam generation.

(iii) the capital investment on energy conservation equipment: Rs. 286 Lakhs.

b. **Technology absorption:**

(i) The efforts made towards technology absorption:

- Converted Line 6A/6B/7B/7C from PET POY to PET FDY
- Converted Line 9/11/14/15 from 4 End to 8 end production.
- Converted 6 BCF manufacturing lines from regular BCF to Alternative product.
- Installation of 5 new Mother Yarn manufacturing lines and 1 IDY manufacturing lines.

- Install 3 new WSF machines to improve the yarn quality

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Reduction in Energy Consumption and cost saving
- Improvement in product quality
- Improvement in machine operating efficiency
- Reduction in packing material cost

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL

(iv) Research and Development expenditures:

Rs. in Lakhs

Particulars	2022-23	2021-22
Revenue expenditure	1001.81	1,255.64
Capital expenditure	NIL	23.86
Total	**1001.81**	**1279.50**

c. **Foreign Exchange Earnings and Outgo:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Earning in Foreign exchange - Rs. 677,19.78 Lakhs

Outgo in Foreign exchange - Rs. 532,53.12 Lakhs

DEPOSITS

The Company has not accepted any deposit within the meaning of Chapter V to Companies Act, 2013. Further, no amount on account of principal or interest on deposit was outstanding at the end of the year under report.

STATUTORY AUDITORS

As per Section 139 of the Companies Act, 2013 ('the Act'), read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company at their 39th Annual General Meeting have approved the appointment of M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants (ICAI Registration No- 012754N/N-500016), as the Statutory Auditors of the Company for a second term of 5 years commencing from the conclusion of the 39th Annual General Meeting till the conclusion of 44th Annual General Meeting. The Auditors are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

AUDITORS' REPORT

The Report given by M/s Price Waterhouse Chartered Accountants LLP on the financial statement of the Company for the year 2022-23 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

There is no qualified opinion in the Auditors' Report. However, we refer to para i (c) of Annexure B of Independent Auditor's Report and state that in respect of documents of title deeds of residential flats belonging and in possession of the Company carrying gross value of Rs. 14.85 lakhs are not traceable. The Company is in the process of tracing the physical agreements of the aforesaid flats.

COST AUDITOR AND COST RECORDS

In terms of the Section 148 of the Companies Act, 2013 ('the Act') read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records have been prepared and maintained by the Company as specified by the Central Government.

In terms of Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014 and in accordance with the recommendation of the Audit Committee, the Board of Directors has appointed M/s Kiran J Mehta & Co., Cost Accountants, being eligible, as Cost Auditors of your Company to carry out the cost audit of products manufactured by the Company. Your Company has received their written consent from M/s Kiran J Mehta & Co. to the effect that their appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee and in terms of the Companies Act, 2013 and Rules thereunder. Requisite resolution for ratification of remuneration of the Cost Auditors, by the members, has been set out in the Notice of the 40th Annual General Meeting of your Company.

During the year 2022-23 the Cost Accountants had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

Members are requested to ratify remuneration as fixed by the Board of directors by passing an ordinary resolution in the Annual General Meeting.

SECRETARIAL AUDITOR AND AUDIT REPORT

The Secretarial Audit of the Company for the financial year 2022-23, as required under Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, was conducted by Mr. Hitesh J. Gupta, Practicing Company Secretary (CP No. 12722). The Secretarial Audit Report is annexed as Annexure D and forms an integral part of this Report.

BOARD'S REPORT

There has been no qualification, reservation or adverse remark or disclaimer in the Secretarial Audit Report. During the year 2022-23, the Secretarial Auditor had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

As per the provisions of Regulation 24A of SEBI (LODR) Regulations, 2015, the Company has obtained an Annual Secretarial Compliance Report for the year ended March 31, 2023 from Mr. Hitesh Gupta, Practicing Company Secretary, who is also the Secretarial Auditor of the Company. The Annual Secretarial Compliance Report does not contain any qualification, reservation or adverse remark or disclaimer.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year 2022-23, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

Pursuant to the provisions of SEBI (LODR) Regulations, 2015, the Company has obtained a certificate from Mr. Hitesh J. Gupta, Practicing Company Secretary that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director of the Company by SEBI / Ministry of Corporate Affairs or any such regulatory authority.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Cost Auditors and Secretarial Auditors of the Company have not reported any fraud to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013.

RISK MANAGEMENT POLICY

The Audit Committee has been entrusted with the responsibility of overseeing various organizational risks (strategic, operational and financial). The Audit Committee also assesses the adequacy of mitigation plans to address such risks. An overarching Risk Management Policy which was approved by the Board is in place. The Company has developed and implemented an integrated Enterprise Risk Management (ERM) Framework through which it identifies monitors, mitigates & reports key risks which impact the Company's ability to meet its strategic objectives. The ERM team engages with all Function heads to identify internal and external events that may have an adverse impact on the achievement of Company's objectives and periodically monitors changes in both internal and external environment leading to emergence of a new threat/risk. These risks are captured in a risk register with all the relevant information such as risk description, root cause and any existing mitigation plans. The risk register is refreshed semi-annually. Risks are categorised into Strategic, Financial, Operational, Compliance & Reputational. ERM risk assessments covering Company's various businesses and functions are a key input for the annual internal audit program. During FY22, the focus was on reviewing effectiveness of actions taken to mitigate business, cyber security and other operational & Compliance risks.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, the Company has put in place a Familiarization Programme for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc., so as to enable them to take well-informed decisions in timely manner. The details of the Familiarization Programme conducted are available on the website of the Company:
https://aymsyntex.com/investors/corporate-governance/policies-code-compliances

CODE OF CONDUCT

The Company has Code of Conduct for Board members and Senior Management personnel. A copy of the Code of conduct has been placed on the Company's website for information of all the members of the Board and management personnel.

All Board members and senior management personnel have affirmed compliance of the same.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace which is in line with the requirements of POSH Act. The Company has complied with provisions relating to the constitution of Internal Complaints Committee ('ICC') under POSH Act. ICC has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

During the year under review, no cases of sexual harassment were reported in your Company. During the year, the Company has not received any complaints. There are no complaints pending as at the end of the financial year.

CORPORATE GOVERNANCE

In terms of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "Listing Regulations"), a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditors of the Company is attached as

Annexure F and forms integral part of this Report (hereinafter "Corporate Governance Report").

Management Discussion and Analysis Statement is separately given in the Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

INSOLVENCY AND BANKRUPTCY CODE, 2016

No application was made, or any proceedings filed against the Company under the Insolvency and Bankruptcy Code, 2016; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, against the Company during the year along with their status as at the end of the financial year is not applicable.

MISCELLANEOUS

During the year under Report, there was no change in the general nature of business of the Company.

No material change or commitment has occurred which would have affected the financial position of the Company between the end of the financial year to which the financial statements relate and the date of the report.

During the year under Report, no funds were raised through preferential allotment or qualified institutional placement.

CAUTIONARY STATEMENT

The information and statements in the Management's Discussion & Analysis regarding the objectives, expectations or anticipations may be forward-looking within the meaning of applicable securities, laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

ACKNOWLEDGMENT

We take this opportunity to thank the employees for their dedicated service and contribution to the Company. We also thank our banks, financial institutions, business associates, members and other stakeholders and authorities for their continued support to the Company. We thank the governments of various countries where we have our operations. We thank the Government of India, particularly the Ministry of Textiles. The Directors appreciate and value the contribution made by every member of the AYM family.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rajesh R Mandawewala
Chairman
DIN: 00007179

Place: Mumbai
Date: 05/05/2023

BOARD'S REPORT

ANNEXURE A

Disclosure of Information in respect of Employees Stock Option Scheme:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments':

The disclosure is provided in Notes 50 to the financial statements of the Company for the year ended March 31, 2023.

Sr. No.	Particulars	Employee Stock Options Scheme-2018 – Grant I	Employee Stock Options Scheme-2021 - Grant I	Employee Stock Options Scheme-2021 – Grant II
1.	Date of shareholders approval	28th February 2018	5th March, 2021	5th March, 2021
2.	Options granted	7,81,700 Equity shares of the face value of Re. 10/- each	6,00,000 Equity shares of the face value of Re. 10/- each	3,90,000 Equity shares of the face value of Re. 10/- each
3.	Exercise Price per stock option	Rs. 10/-	Rs. 10/-	Rs. 10/-
4.	Vesting requirements	ESOPs will vest not earlier that One (1) year from the date of Grant	ESOPs will vest not earlier that One (1) year from the date of Grant	ESOPs will vest not earlier that One (1) year from the date of Grant
5.	Maximum term of options granted	5 years from the date of Vesting	5 years from the date of Vesting	6 years from the date of Vesting
6.	Source of shares	Primary	Primary	Primary
7.	**Options movement during the year**			
	Particulars	**Details**		
	Number of options outstanding at the beginning of the year	3,15,600 Equity shares of the face value of Re. 10/- each	6,00,000 Equity shares of the face value of Re. 10/- each	3,90,000 Equity shares of the face value of Re. 10/- each
	Number of options granted during the year	NIL	NIL	NIL
	Number of options forfeited/lapsed/ Cancelled during the year	7,560	NIL	20,000
	Number of options vested during the year	1,02,680	60,000	37,000
	Number of options exercised during the year	1,02,680	60,000	37,000
	Number of shares arising as a result of exercise of options	1,02,680	60,000	37,000
	Money realizes by exercise of options (INR), if scheme is implemented directly by the Company	Rs. 10,26,800	Rs. 6,00,000	Rs. 3,70,000
	Loan repaid by the Trust during the year from exercise price received	NA	NA	NA
	Number of options outstanding at the end of the year	2,05,360 Equity shares of the face value of Re. 10/- each	5,40,000 Equity shares of the face value of Re. 10/- each	3,33,000 Equity shares of the face value of Re. 10/- each
	Number of stock exercisable at the end of the year	NIL	NIL	NIL
8.	Variation of terms of options	N.A.	N.A.	N.A.
9.	Money realized by exercise of Options	Rs. 10,26,800	Rs. 6,00,000	Rs. 3,70,000
10.	Total Number of Options in force	2,05,360	5,40,000	3,33,000
11.	Employee-wise details of Options granted to			
	(i) Senior Managerial Personnel/ Key Managerial Personnel	KMP-46900	KMP-200000	NIL
	(ii) Any other employee who receives a grant, in any one year, of Options amounting to 5% or more of Options granted during that year	3 Employees - 2,55,000	4 Employees - 6,00,000	9 Employees – 3,90,000
	(iii) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL	NIL	NIL

Sr. No.	Particulars	Employee Stock Options Scheme-2018 – Grant I	Employee Stock Options Scheme-2021 - Grant I (24.04.2021)	Employee Stock Options Scheme-2021 – Grant II (29.01.2022)
12.	Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Indian Accounting Standard (Ind AS) 102	Rs 1.41 per share (as on 31.03.2023)	Rs 1.41 per share (as on 31.03.2023)	Rs 1.41 per share (as on 31.03.2023)
13.	Weighted average exercise price and weighted average fair value of options whose exercise price equals or exceeds or is less than market price of the stock-			
	a) Weighted average exercise price per stock option	Rs.10	Rs.10	Rs.10
	b) Weighted Average Fair Value of options	Rs. 34.58	Rs. 34.25	Rs. 127.60
14.	Method and significant assumptions used to estimate the fair value of Options granted during the year			
	i) Method	Adopts the Black Scholes Model	Adopts the Black Scholes Model	Adopts the Black Scholes Model
	ii) Significant Assumptions:	a) Weighted average risk-free interest rate b) Weighted average remaining contractual life of options outstanding (years) c) Weighted average expected volatility d) Weighted average expected dividends e) Weighted average market price	a) Weighted average risk-free interest rate b) Weighted average remaining contractual life of options c) Weighted average expected volatility d) Weighted average expected dividends e) Weighted average market price	a) Weighted average risk-free interest rate b) Weighted average remaining contractual life of options c) Weighted average expected volatility d) Weighted average expected dividends e) Weighted average market price

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

Rajesh R Mandawewala

Chairman

DIN: 00007179

Place: Mumbai

Date: 05/05/2023

BOARD'S REPORT

ANNEXURE B

CSR Activities for the Financial year commencing on or after 1st April 2022

1. A brief outline of the Company's CSR policy:

To spend at least 2% average net profits of the Company made during the three immediately preceding financial years calculated in accordance with the provisions of Section 198 of the Companies Act 2013 in the sectors as mentioned in schedule VII of the Act.

To give preference to local area and areas around where it operates, for spending the amount earmarked for corporate social responsibility activities.

List of activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 as mentioned in the policy is placed on website of the Company at htpps://www.aymsyntex.com

2. The composition of the CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meeting of CSR Committee attended during the year
1	Mr. Atul Desai	Chairman	1	1
2	Mr. Rajesh R. Mandawewala	Member	1	1
3	Mr. Abhishek R. Mandawewala	Member	1	1
4	Mrs. Khushboo Mandawewala	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: htpps://www.aymsyntex.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

(Rs. In Lakhs)

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1	2022-23	15.59	NA

6. Average net profit of the Company for 2019-20 , 2020-21 and 2021-22 : **Rs. 3,802.84 Lakhs**

7. a) Two percent of average net profit of the company as per section 135(5): **Rs. 72.41 Lakhs**

   b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

   c) Amount required to be set off for the financial year, if any: **Rs. 15.59 Lakhs**

   d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 56.82 Lakhs**

8. (a) CSR amount spent or unspent for the Financial year:

Total Amount Spent for the Financial Year (in Rs. Lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
79.05	Nil	NA	Nil	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year - **NA**

1	2	3	4	5		6	7	8	9	10	11	
SI.No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project Duration for the project (in Rs.).	Amount allocated in the current financial Year (in Rs.).	Amount spent to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Amount transferred tation Direct (Yes/No.)	Mode of implemen-tation	Mode of implementation Through implementing Agency	
				State	District						Name	CSR Reg no.
1												
2												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
SI.No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No.)	Mode of implementation Through implementing Agency	
				State	District			Name	CSR Reg. No.
1.	Implementing and supporting education program	(ii) Promoting Education	YES	Maharashtra/ U.T of Dadra & Nagar Haveli Maharashtra	Palghar/ Silvassa	23.29	YES	NA	NA
2.	Provision of safe drinking water	(ii) Promoting Healthcare	YES	Maharashtra/ U.T of Dadra & Nagar Haveli Mahara	Palghar/ Silvassa	17.85	YES	NA	NA
3.	Covid-19 Vaccination/ Vaccination Mobile Van	(ii) Promoting Healthcare	YES	Maharashtra/ U.T of Dadra & Nagar Haveli Maharashtra	Palghar/ Silvassa	19.08	YES	NA	NA
4	CSR monitoring and administrative exp including salaries.	Administration Expenses		Maharashtra/ U.T. of Dadra & Nagr Haveli Maharashtra	Palghar/ Silvassa	3.23	YES	NA	NA
	Total					**63.46**	**YES**	**NA**	**NA**

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(d) Amount spent in Administrative Overheads- **Rs.3.23 Lakhs**

(e) Amount spent on Impact Assessment, if applicable- **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- **Rs. 63.46 Lakhs**

(g) Excess amount for set off- **Rs. 3 Lakhs**

SI. No.	Particular	Amount (in Rs. Lakhs)
i.	Two percent of average net profit of the company as persection 135(5)	72.41
ii.	Total amount spent for the Financial Year	79.05
iii.	Excess amount spent for the financial year [(ii)-(i)]	6.64
iv.	Surplus arising out of the CSR projects or programmes oractivities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years[(iii)-(iv)]	6.64

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NA**

SI.No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year(in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount tremaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1							
2							
3							
		Total					

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NA**

SI.No	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial year (in Rs.)	Status of the project - Completed / on going
1								
2								
3								
Total								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of capital asset(s): **NA**

(b) Amount of CSR spent for creation or acquisition of capital asset : **NA**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : **NA**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : **NA**

11. Specify the reason, if the Company has failed to spend the two percent of the average net profit as per Section 135(5).- **NA**

For AYM Syntex Limited

Sd/-
Rajesh R. Mandawewala
Chairman
DIN-00007179

Sd/-
Atul Desai
Chairman CSR Committee
DIN-00019443

ANNEXURE C

FORM NO. AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

S No.	Particulars	Details
1	Sl. No.	1
2	Name of the subsidiary	AYM Textiles Private Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR (Indian Rupee)
5	Share capital	1,00,000
6	Reserves & surplus	(54.31)
7	Total assets	75.69
8	Total Liabilities	30.00
9	Investments	-
10	Turnover	-
11	Profit before taxation	(54.31)
12	Provision for taxation	-
13	Profit after taxation	(54.31)
14	Proposed Dividend	-
15	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: AYM Textiles Private Limited
2. Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associates / Joint Ventures	Details
1	Latest audited Balance Sheet Date	
2	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	
3	Description of how there is significant influence	
4	Reason why the associate/joint venture is not consolidated	
5	Net-worth attributable to Shareholding as per latest audited Balance Sheet	
6	Profit / Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

BOARD'S REPORT

1. Names of associates or joint ventures which are yet to commence operations: **Not Applicable**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **Not Applicable**

For and on behalf of the Board of Directors

Rajesh Mandawewala **Chairman** **DIN 00007179**	**Abhishek Mandawewala** **CEO and Managing Director** **DIN 00737785**
Himanshu Dhaddha **Chief Financial Officer**	**Ashitosh Sheth** **Company Secretary**

Place: Mumbai
Date: May 05, 2023

ANNEXURE D

FORM NO. MR-3

Secretarial Audit Report

For the Financial year ended March 31st, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
AYM Syntex Limited
Survey No. 394(P), Plot No.1,
Village Saily, Silvassa,
U.T. of Dadra & Nagar Haveli

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AYM Syntex Limited (CIN - L99999DN1983PLC000045) (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the financial year under review);

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the financial year under review);

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation 1993 regarding the Act and dealing with client (Not Applicable to the Company during the financial year under review);

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the financial year under review);

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the financial year under review); and

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. The Management has identified the compliances of the following laws as specifically applicable to the Company:

   a. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards;

   b. Contract Labour (Regulation and Abolition) Act, 1970;

   c. Employees Provident Fund and Miscellaneous Provisions Act, 1952;

   d. Employee's State Insurance Act, 1948;

   e. Environment Protection Act, 1986;

   f. Equal Remuneration Act, 1976;

   g. Factories Act, 1948;

   h. Industrial Dispute Act, 1947;

   i. Maternity Benefits Act, 1961;

   j. Minimum Wages Act, 1948;

   k. Payment of Bonus Act, 1965;

   l. Payment of Gratuity Act, 1972;

   m. Payment of Wages Act, 1936;

   n. Water (Prevention and Control of Pollution) Act, 1974 and rules issued by the State Pollution Control Boards.

Having regard to the compliance system prevailing in the Company, I further report that on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the same.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Companies Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper

Balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable rules, laws, regulations and guidelines.

I further report that during the audit period:

i. The Company has allotted 97,000 Equity Shares pursuant to exercise of ESOP options by employees under AYM Employee Stock Option Scheme 2021.

ii. Members of the Company at the AGM held on September 28, 2022 have approved the re-appointment of Mrs. Khushboo Abhishek Mandawewala (DIN: 06942156) as Whole-Time Director of the Company for a period of 5 years with effect from July 29, 2022.

iii. Members of the Company on March 17, 2023, through postal ballot have approved the revised remuneration of Mr. Abhishek Rajesh Mandawewala, Managing Director & CEO and Mrs. Khushboo Abhishek Mandawewala, Whole Time Director of the Company.

Hitesh J. Gupta
Practicing Company Secretary
M No. A33684
CP No.12722
UDIN: A033684D000285694

Date: 05th May 2023
Place: Mumbai

Note: This report is to be read with my letter of even date which is annexed as 'ANNEXURE - I' and forms an integral part of this report.

ANNEXURE - I

To,
The Members,
AYM Syntex Limited
Survey No. 394(P), Plot No.1,
Village Saily, Silvassa,
U.T. of Dadra & Nagar Haveli

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Hitesh J. Gupta
Practicing Company Secretary
M No. A33684
CP No.12722
UDIN: A033684D000285694

Date: 05th May 2023
Place: Mumbai

ANNEXURE E

Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No	Requirement	Information	Ratio
1.	The ratio of the remuneration of Executive Director to the median remuneration of the employees of the Company for the financial year	Mr. Abhishek R. Mandawewala (Managing Director & CEO)	87.7
		Mr. Khushboo A. Mandawewala (Whole Time Director)	10.7
2.	The percentage increase in remuneration of Executive Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	Mr. Abhishek R. Mandawewala (Managing Director & CEO)	152.5
		Mr. Khushboo A. Mandawewala (Whole Time Director)	-3.3
		Mr. Himanshu Dhaddha (Chief Financial Officer)	31.2
		Mr. Ashitosh Sheth (Company Secretary)	-5.4
i.	The percentage increase in the median remuneration of employees in the financial year.	12.5	
ii.	The number of permanent employees on the rolls of the Company as on March 31, 2023.	1131	
iii.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	7.2	
iv.	Affirmation that the remuneration is as per the remuneration policy of the Company	Affirmed	

Note:

1. Mr. Abhishek R. Mandawewala, Managing Director & CEO and Mrs. Khushboo Mandawewala, Whole time Director of the Company has not received any remuneration from Mandawewala Enterprises Limited, the holding Company.
2. Remuneration paid includes value of ESOPs received under the Company's ESOP Scheme, 2018 & 2021 and commission on profits paid during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rajesh R Mandawewala
Chairman
DIN: 00007179

Place: Mumbai
Date: 05/05/2023

BOARD'S REPORT

ANNEXURE F

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED MARCH 31, 2023

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

AYM Syntex Limited believes that for a Company to succeed on a sustained basis, it must maintain global standards of corporate conduct towards its employees, shareholders, consumers and society. The primary objective is to create and adhere to a corporate culture of consciousness, transparency and openness.

2. BOARD OF DIRECTORS

a) Composition

Present strength of the Board of Directors is 6. Details of composition of the existing Board of Directors as on March 31, 2023 is given below:

Sr. No.	Name of the Director	Category	No. of Directorship in other Companies		No. of shares and convertible instruments held by Non-Executive Director	Member / Chairman in No. of Committees in Companies#	No. of Board Meetings Attended (01/04/22 to 31/03/23)	Attendance at last AGM
			Public	Private				
1.	Mr. Rajesh R. Mandawewala	P,NE,C	08^	07	Nil	(1)M	3	No
2.	Mr. Abhishek R. Mandawewala	P, E	01^	08	Nil	(1) C/(1)M	4	Yes
3.	Mr. Atul Desai	I, S, NE	06^	00	30 Equity shares	(4)C/(3)M	4	Yes
4.	Mr. Mohan Tandon	I, NE	01	Nil	Nil	(1)C/(2)M	4	Yes
5.	Mr. K. H. Viswanathan	I, NE	06^	01	Nil	(5)C/(4)M	4	Yes
6	Mrs. Khushboo Mandawewala	P, WTD, W	2^	3	Nil	Nil	4	Yes

^ Includes unlisted public companies.

For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, are included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 are excluded.

Further for the purpose of counting membership in Board Committee of other Companies, Chairmanship/ Membership of the Audit Committee and the Stakeholders Relationship Committee alone are considered.

Abbreviations:

P = Promoter, E = Executive Director, NE = Non - Executive Director, I = Independent Director, W= Woman Director, S = Shareholders, C = Chairman, M = Member, WTD=Whole time Director.

b) The names of the listed entities where the director is Director and category of directorship and matrix of the skills/expertise/competence identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board and directors who have such skills / expertise / competence. Details of current members of the Board is given below:

Sr. No.	Name of the Director	Skill / expertise / competence	Name of Listed Entry	Category
1	Mr. Rajesh R Mandawewala	Leading figure in textiles and Steel, believes in drivinginnovation through Continuous research and product developments, Strategy and Business Management	Welspun India Limited	Executive Vice Chairman
			AYM Syntex Limited	Director and Non Executive Chairman
			Welspun Corp Limited	Director
			Welspun Enterprises Limited	Director
2.	Mr. Abhishek R Mandawewala	Strategy and Business management, Excellent managerial skill, leadershipquality	AYM Syntex Limited	Managing Director & CEO
3.	Mr. Atul Desai	Litigation & Arbitration	AYM Syntex Limited	Independent Director
			Welspun Specialty Solutions Limited	Independent Director
			Welspun Investments and Commercials Limited	Independent Director
			TCFC Finance Limited	Independent Director
			JSW Holdings Limited	Independent Director
4.	Mr. Mohan Tandon	Professional with experience in Organization Restructuring and designing Productivity oriented Incentive Schemes	AYM Syntex Limited	Independent Director
			Welspun Enterprises Limited	Independent Director
5.	Mr. K H Viswanathan	Corporate Tax and Legal, Transaction advisory and structuring, Internal, Management and Due-diligence, audits, formulation of business strategy, mergers and acquisitions etc	AYM Syntex Limited	Independent Director
			Welspun Corp Limited	Independent Director
6.	Mrs. Khushboo Mandawewala	Software engineer, strategic, Business development skill and excellent leadership quality	AYM Syntex Limited	Whole time Director

c) In the table below, the specific areas of focus or expertise of individual Board members have been highlighted:

Name of the Director	Business Development	Leadership Skill	Information Technology	General & Commercial Laws	Finance, Taxation and Insurance	Corporate Governance
Mr. Rajesh R Mandawewala	✓	✓	✓	✓	✓	✓
Mr. Abhishek Mandawewala	✓	✓	✓	-	✓	-
Mr. Atul Desai	-	-	-	✓	✓	✓
Mr. Mohan Tandon	-	-	-	✓	✓	✓
Mr. K H Viswanathan	-	-	✓	✓	✓	✓
Mrs. Khushboo Mandawewala	✓	✓	✓	-	-	-

Note: These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

BOARD'S REPORT

d) Details of Date of Board Meetings:

Four meetings of the Board of Directors were held during the financial year 2022-23 on following dates:

May 7, 2021	August 10, 2023
November 12, 2022	February 4, 2023

e) Disclosure of relationship between Directors inter se:

i. Mr. Rajesh Mandawewala, Chairman of the company is father of Mr. Abhishek Mandawewala, Managing Director & CEO and father-in-Law of Mrs. Khushboo A Mandawewala, Whole Time Director of the Company.

ii. Mr. Abhishek Rajesh Mandawewala, Managing Director and CEO is son of Mr. Rajesh R. Mandawewala, Director and spouse of Mrs. Khushboo A Mandawewala, Whole time Director of the Company.

iii. Mrs. Khushboo Abhishek Mandawewala, Whole time Director of the Company, is wife of Mr. Abhishek Rajesh Mandawewala, Managing Director & CEO, and daughter-in-law of Mr. Rajesh Mandawewala, the Chairman of the Company.

f) The details of familiarization program (for Independent Directors) are disclosed on the Company's website and a web link thereto is https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances

g) It is confirmed that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

3. AUDIT COMMITTEE

The Audit Committee consists of the following 3 Independent Non-Executive Directors (All financially literate) as on 31st March 2023.

a. Mr. Atul Desai - Chairman

b. Mr. K. H. Viswanathan - Member

c. Mr. Mohan Tandon - Member

Mr. Ashitosh Sheth, Secretary of the Company also acts as a Secretary to the Committee.

Terms of Reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 of SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act, 2013.

Four meetings of Audit Committee of Board of Directors were held during the financial year 2022-23 on following dates:

May 7, 2022	August 19, 2022
November 12, 2022	February 4, 2023

The details of attendance of members of Audit Committee are as follows:

Sr. No.	Name of the Member	Designation	Meetings attended
1	Mr. Atul Desai	Chairman	4
2	Mr. K. H. Viswanathan	Member	4
3	Mr. Mohan Tandon	Member	4

4. NOMINATION AND REMUNERATION COMMITTEE

a. The terms of reference stipulated by the Board of Directors to the Nomination and Remuneration Committee are as contained under regulation 19 of SEBI (LODR) Regulations, 2015 and section 178 of the Companies Act, 2013.

b. Nomination and Remuneration Committee of the Board of Directors of the Company consists of the following members:

1.	Mr. Atul Desai	-	Chairman
2.	Mr. M. K. Tandon	-	Member
3.	Mr. K. H. Viswanathan	-	Member

c. Four meetings of Nomination and Remuneration Committee of Board of Directors were held during the year under review on following dates:

May 7, 2022
November 7, 2022
January 3, 2023

The details of attendance of members of the committee are as follows:

Sr. No.	Name of the Member	Designation	Meetings attended
1	Mr. Atul Desai	Chairman	3
2	Mr. K. H. Viswanathan	Member	3
3	Mr. Mohan Tandon	Member	3

d. Performance Evaluation Criteria

i. The evaluation of individual directors would have two parts, viz. (a) quantitative data in the form of number of meetings of the board and committees attended as against the total number of such meetings held and (b) qualitative data coming out of the process of filling in a questionnaire by the directors, which would be subjective, by its very nature.

ii. In order to induce the respondents to give their frank views, the instruments would be so designed that only ticks would be required, with no provision for description and the directors would not be required to identify themselves below the filled in questionnaire.

iii. The result of the evaluation would be discussed threadbare by the Board and remedial actions taken.

iv. In case of individual directors' performance falling below a threshold, there would be a provision for individual counselling by the Chairman of the Company.

5. **REMUNERATION TO DIRECTORS**

a. There are no pecuniary relationships or transactions with the Non-Executive Directors vis-a-vis the Company.

b. **Criteria of making payments to Non-Executive Directors:**

The Company pays sitting fees to Non-Executive Directors for attending meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Finance Committee, Stakeholder Relationship Committee, Independent Directors meeting, Corporate Social Responsibility Committee, fee for attending General Meetings etc.

During the year, the Non-Executive Directors had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Details of the remuneration paid to Non-Executive Directors during the year are as under:

(Rs.in Lakhs)

Name of Directors	Sitting Fees
Mr. Atul Desai	5.39
Mr. K. H.Viswanathan	4.55
Mr. Mohan Tandon	4.55
Total	**14.49**

c. **To recommend payment of Remuneration to Executive Director / Managing Director and CEO/Whole time Director:**

The details of Remuneration paid/payable to Managing Director & CEO and Whole time Director during the year are mentioned below:

(Rs.in Lakhs p.a)

	Mr. Abhishek R. Mandawewala (MD & CEO)	**Mrs. Khushboo Mandawewala** (WTD)
Salaries and allowances	1,60,54,200	29,85,483
Gratuity	4,32,900	64,644
Leave encashment	0	0
Contribution to Provident Fund	10,80,000	1,56,960
Commission	83,27,848	0
TOTAL	**2,58,94,948**	**32,07,087**
Service contracts	From 1/8/ 21 to 31/07/24	From 29/07/19 to 28/07/22
Notice period	3 months	3 months
Severance fees	0	0
Stock option	0	0

Note: 1. The Remuneration is within the limit as approved by NRC and Board for the period From August 1, 2021, to July 31, 2024 and as approved by the Shareholder of the Company vide special resolution passed on

2. The Remuneration does not include commission accrued during year 2022-23 and payable in 2023-24.

d. **Meeting of Independent Directors**

The Independent Directors of the Company shall hold at least one meeting in a year without the attendance of non-independent directors and members of management. The meeting of Independent Directors was held on March 16, 2023 and the following points were discussed:

- reviewed the performance of non-independent directors, individual directors, committees of Board and the Board as a whole;
- reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

6. **STAKEHOLDERS RELATIONSHIP COMMITTEE**

a. Name of Non-Executive Director heading the Committee - **Mr. Atul Desai**

b. Name and designation of Compliance Officer- **Mr. Ashitosh Sheth – Company Secretary**

c. Number of shareholders complaints received during the year -**2**

d. Number not solved to the satisfaction of shareholders- **Nil**

e. Number of complaints pending as on March 31, 2023- **Nil**

Details of Stakeholders Relationship Committee Meeting:

One meeting was held during the year i.e. March 16, 2023.

Sr. No.	Name of the Member	Designation	Meetings attended
1	Mr. Atul Desai	Chairman	1
2	Mr. R. R. Mandawewala	Member	1
3	Mr. Abhishek R. Mandawewala	Member	1

BOARD'S REPORT

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Company constituted a Corporate Social Responsibility Committee comprising of Four Directors. One meeting was held during the year i.e. May 7, 2022

a) Composition of Corporate Social Responsibility Committee:

The Committee comprises of:

1.	Mr. Atul Desai	-	Chairman
2.	Mr. Rajesh Mandawewala	-	Member
3.	Mr. Abhishek Mandawewala	-	Member
4.	Mrs. Khushboo Mandawewala	-	Member

The Company Secretary acts as the Secretary to the Committee.

b) Terms of reference of the Committee, inter alia include the following:

To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with the provisions of the Act and rules made thereunder.

Our social vision has been enshrined in following 4S which have become the Guiding Principles of our CSR initiatives – Swasthya, Swabhiman, Sudhar and Srishti.

c) Meetings and Attendance:

During the year under review, the Corporate Social Responsibility Committee met once on May 7, 2022.

Sr. No.	Name of the Member	Designation	Meetings attended
1	Mr. Atul Desai	Chairman	1
2	Mr. R. R. Mandawewala	Member	1
3	Mr. Abhishek R. Mandawewala	Member	1
4	Mrs. Khushboo Mandawewala	Member	1

8. GENERAL BODY MEETING

a) Details of the last three Annual General Meetings held are given as under:

Financial Year	Date	Time	Location
2019-20	29/09/2020	12.30 P.M.	Through Video Conferencing Deemed to be Survey No. 394(P), Village Saily, Silvassa, (U. T. of Dadra & Nagar Haveli)
2020-21	29/09/2021	12.30 P.M.	Through Video Conferencing Deemed to be Survey No. 374/1/1, Village Saily, Silvassa, (U. T. of Dadra & Nagar Haveli)
2021-22	28/9/2022	12.00 P.M.	Through Video Conferencing Deemed to be Survey No. 374/1/1, Village Saily, Silvassa, (U. T. of Dadra & Nagar Haveli)

b) Special Resolutions passed in the last three Annual General Meetings are as under:

Financial Year	Date	Items
2020-21	29/09/2021	(i) Re-appointment of Mr. Abhishek Mandawewala as Managing Director & Chief Executive Officer and Fixing of his Remuneration
2021-22	28/09/2022	Nil
2022-23	17/03/2023 (Postal ballot)	(i) Approval of remuneration to Mr. Abhishek Rajesh Mandawewala, Managing Director & CEO
		(ii) Approval of remuneration payable to Mrs. Khushboo Mangawewala, Whole Time Director

Procedure adopted for Postal Ballot

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, and 3/2022 dated May 5, 2022 issued by the MCA.

At present, there is no proposal to pass resolution through postal ballot.

9. MEANS OF COMMUNICATION

a. The quarterly Un-audited Financial Results and Yearly Audited Financial Results of the Company are sent to the BSE Limited and National Stock Exchange immediately after they are approved by the Board of Directors in their Board meetings.

b. The quarterly Un-audited Financial Results and Yearly Audited Financial Results of the Company has been advertised in Newspapers, details of which are as mentioned herein below:

Quarter/Year End	Date of Publication	Name of Newspaper
31.03.2022	Sunday, May 8, 2022	The Financial Express (E), Ahmedabad edition
	Monday, May 9, 2022	The Financial Express (G), Ahmedabad edition
30.06.2022	Thursday, August 11, 2022	The Financial Express (E), Ahmedabad edition
	Thursday, August 11, 2022	The Financial Express (G), Ahmedabad edition
30.09.2022	Sunday, November 13, 2022	The Financial Express (E), Ahmedabad edition
	Monday, November 14, 2022	The Financial Express (G), Ahmedabad edition
31.12.2022	Sunday, February 5, 2023	The Financial Express (E), Ahmedabad edition
	Monday, February 6, 2023	The Financial Express (G), Ahmedabad edition

c. **Website: https://www.aymsyntex.com**

d. Whether it also displays official news releases: No official news has been released during the year.

e. Presentation made to institutional investors or to the analysts: **None**

10. GENERAL SHAREHOLDERS INFORMATION

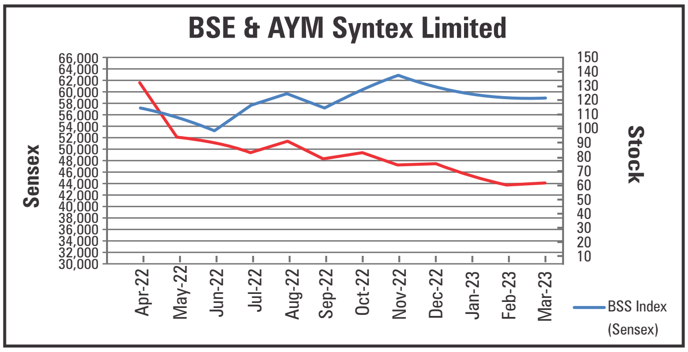
a.	40th Annual General Meeting	:	
	Date	:	Friday, September 29, 2023
	Time	:	12.00 Noon (IST)
	Venue		Plot no. 1, Survey No. 374/1/1, Village saily, Silvassa, U. T. of Dadra & Nagar Haveli - 396230
b.	Financial year	:	April 2022 to March 2023
c.	Dividend payment date	:	No Dividend recommended / declared during the year
d.	Listing on Stock Exchanges	:	i. National Stock Exchange of India Limited (NSE), Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra Kurla Complex Rd, Bandra East, Mumbai 400051.
			ii. Bombay Stock Exchange Limited (BSE), P. J. Tower, Dalal Street, Fort, Mumbai 400001.
			iii. Listing fees has been paid to BSE and NSE on April 29, 2022.
e.	Stock Code	:	Stock code No. is 508933 (BSE) and Symbol is AYMSYNTEX (NSE).

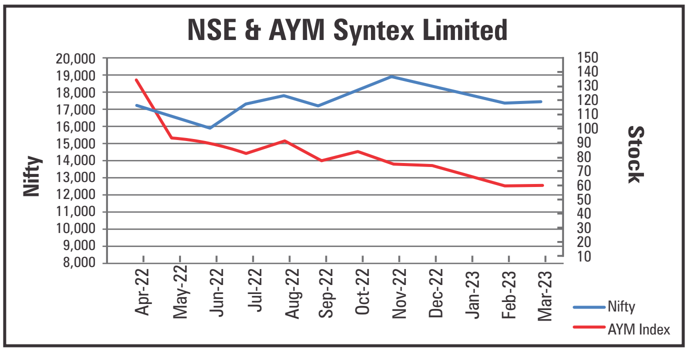
f. Market Price Data- High-Low Quotations on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE), Mumbai during each month for the year 01 April 2022 to 31 March 2023:

Month	AYM Syntex Stock monthly high and low on Bombay Stock Exchange (Rs)		Sensex		AYM Syntex Stock monthly high and low on Bombay Stock Exchange (Rs)		Nifty	
	High	Low	High	Low	High	Low	High	Low
Apri-22	142.9	112.4	60845.1	56009.07	142.8	111.65	17405.55	18251.95
May - 22	137.35	90.5	57184.21	52632.48	138	83	17255.2	18134.75
June -22	101.85	80.05	56432.65	50921.22	101.7	80.00	16828.35	17799.95
July – 22	95.25	82.6	57619.27	52094.25	97	82.5	16824.7	18114.65
Aug - 22	93.55	71.25	60411.2	57367.47	94	76.25	15735.75	17132.85
Sept - 22	95.00	74	60676.12	56147.23	93.95	74.45	15183.4	16793.85
Oct - 22	93.00	75.00	60786.7	56683.4	94	75.05	15511.05	17172.8
Nov - 22	87.25	65	63303.01	60425.47	86.85	68.4	17154.8	17992.2
Dec - 22	82	65.8	63583.07	59754.1	79.90	65.70	16747.7	18096.15
Jan - 23	77.9	65.95	61343.96	58699.2	77.50	65.65	16855.55	18022.8
Feb - 23	72	56.00	61682.25	58795.97	68.8	59	17959.2	18816.05
Mar 23	72.80	52.5	60498.48	57084.91	72.9	58	17774.25	18887.6

g. **Performance in comparison to broad-based indices i.e. BSE - Sensex and NSE - Nifty through Graph is as under:**

Month	BSE Index (Sensex)	AYM Syntex Stock month end closing price on BSE (Rs.)	NSE Nifty	AYM Syntex Stock month end closing price on NSE (Rs.)
April - 22	57060.87	134	17102.55	134.05
May - 22	55566.41	95.05	16584.55	94.8
June -22	53018.94	91.5	15780.25	91.5
July - 22	57570.25	83.8	17158.25	83.35
August - 22	59537.07	91.75	17759.3	91.1
Sept -22	57426.92	79.25	17094.35	78.05
Oct -022	60746.59	83.15	18012.2	83.6
Nov - 22	63099.65	75.15	18758.35	75.5
Dec -22	60840.74	75.85	18105.3	75.6
Jan -023	59549.9	66.3	17662.15	66.1
Feb - 23	58962.12	60.25	17303.95	60
Mar - 23	58991.52	61.64	17359.75	61





h. Securities are not suspended from trading.

i. Registrar and Share Transfer Agent:

Link Intime India Private Limited

Address	:	C-101,247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083
Tel. No.	:	022 - 49186270
Fax No.	:	022 – 49186060,
E-mail	:	rnt.helpdesk@linkintime.co.in
Website	:	www.linkintime.co.in

BOARD'S REPORT

j. **Share Transfer System**

The Shares of the Company are fully dematerialized under the category of compulsory delivery in dematerialized mode by all categories of investors. Shares sent for transfer in physical form are registered by the Company's Registrar and Share Transfer Agents within 15 days from the date of receipt of documents, if the same are found in order. Shares under objection are returned within three days.

k. **Distribution of Shareholding**

The distribution of shareholding as on 31 March 2023 is as follows:

Shareholding of nominal value In Rs.	Share holders Number	% of Total	Amount In Rs.	% of Total
(1)	(2)	(3)	(4)	(5)
Upto 5,000	10377	85.7532	11588530	2.3014
5,001 - 10,000	773	6.3879	6256320	1.2425
10,001 – 20,000	409	3.3799	6274870	1.2462
20,001 – 30,000	165	1.3635	4186570	0.8314
30,001 – 40,000	70	0.5785	2552490	0.5069
40,001 – 50,000	69	0.5702	3263090	0.6480
50,001 - 1,00,000	100	0.8264	7582120	1.5058
1,00,001 and above	138	1.1404	461829050	91.7177
TOTAL	**12101**	**100**	**503533040**	**100**

l. **Dematerialization of shares and liquidity**

The Shares of the Company are fully dematerialized under the category of compulsory delivery in dematerialized mode by all categories of investors.

The dematerialized shares are directly transferred to the beneficiaries by the depositories.

The Company has signed agreements with both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. As on 31st March 2023, 99.95 % of the shares of the Company are dematerialized.

Bifurcation of shares are mentioned below:

Category	As as 31 March 2023	% of Shareholding
No. of shares held by NSDL	4,27,89,999	84.98
No. of shares held by CDSL	75,39,762	14.97
Physical	2,3543	0.05
Total	**5,03,53,304**	**100.00**

m. The Company has not issued any GDRs/ ADRs.

n. Commodity price risk or foreign exchange risk and hedging activities: Refer to Management Discussion & Analysis' Section of this Report.

o. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

1. number of complaints filed during the financial year : **Nil**
2. number of complaints disposed of during the financial year : **Nil**
3. number of complaints pending as on end of the financial year. **Nil**

p. **Location of plant**

Rakholi Plant and Registered Office	:	Plot no. 1, Survey No. 394(P), Village Saily, Silvassa 396230, U. T. of Dadra & Nagar Haveli
Palghar Plant	:	Plot no. I, 40 to 45, 116 to 118, Dewan Industrial Estate, Mahim Village, Palghar (W) - 401404, Dist - Palghar, Maharashtra
Naroli Plant	:	Survey Number 174/2 situated at Village Naroli of the Union Territory of Dadra & Nagar Haveli
Address for Correspondence	:	9th Floor, Trade world, "B" Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 (Maharashtra)
Telephone No	:	022 – 61637000/7001
Fax No	:	022 – 24937725
E-mail id	:	investorrelations@aymgroup.com
Website	:	www.aymsyntex.com
Compliance Officer and Secretary	:	Mr. Ashitosh Sheth

11. OTHER DISCLOSURES

a. **Related party transactions:**

During the year there is no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI Regulations, 2015 is hosted on the Company's website and a web link thereto is as under:
https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances

b. No penalties, strictures were imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

c. **Whistle Blower Policy and Vigil Mechanism**

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee. A copy of policy is displayed on the website of the Company at
https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances

d. **Credit Rating**

India Rating August 5, 2022			
Instrument type	**Size of issue (million)**	**Rating/ Outlook**	**Rating action**
Term loan	181.26 (increased from INR 163.59)	IND A/Stable	
Fund based working capital limits	79.0	IND A/Stable	
Non-fund based working capital limits	251.0	IND A1	Affirmed
Proposed Working capital *	55	IND A/Stable/ IND A1	Assigned
Total Bank Facilities	**566.26 (Rs. Five Hundred Sixty Six crore and Twenty Six Lakhs only**		

*Proposed Working capital Limits: Fund-based - INR 25 crores, proposed Non-Fund based limit - INR 30 crores

CARE October 21, 2022			
Instrument type	**Rs. In crore**	**Rating/Outlook**	**Rating action**
Long term Bank facilities	181.26 (Enhanced from 141.88)	CARE A-; Stable (Single A; Outlook: Stable)	Revised from Care A positive (Single A minus Outlook; Positive)
Short term bank facilities	385.00 (Enhanced from 330.00)	CARE A1+ (A One)	Revised from Care A2+ (A Two Plus)
Total Bank Facilities	**566.26 (Rs. Five Hundred Sixty Six Crore and Twenty Six Lakhs only)**		

e. A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

f. Total fees paid to Statutory Auditors of the Company

The total amount of fees paid to the Statutory Auditors of the Company during the financial year 2022-23 is stated in Notes to financial statements, which forms part of this Annual Report.

g. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of Board's Report.

h. Details of Compliance of the mandatory and non-mandatory clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. The Company has complied with mandatory requirements as mentioned under Regulations 17 to 27 of SEBI (LODR) Regulations, 2015 and has adopted the following discretionary requirements on Corporate Governance as recommended hereunder:

   - The Company has separate individuals occupying the position of Chairman and that of Managing Director and CEO;

   - The Internal Auditor reports directly to the Audit Committee.

2. Web link where policy for determining material subsidiaries is disclosed
   https://www.aymsyntex.com/policies-code-compliances/policies/policies-812099151-policy-on-material-subsidiaries.pdf

3. Web link where policy on dealing with related party transactions:
   https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances

i. **Code of conduct**

The Company has established a Code of Conduct for its Board members and its Senior Management Personnel. The Code of Conduct for the Board members and Senior Management Personnel is available on the Company's website at:
https://www.aymsyntex.com/investors/corporate-governance/policies-code-compliances

All the Board members and Senior Management Personnel have complied with the Code of Conduct.

j. **Compliance certificate from auditors regarding compliance of conditions of corporate governance shall be annexed with the directors' report.**

k. **There are no loans and advances in the nature of loans to firms/ companies in which directors are interested.**

l. **Disclosure of Shares held in suspense account under Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

Particulars	No of Holders	No of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	132	6736
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	-	-
Number of shareholders to whom shares were transferred from suspense account during the year	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	132	6736

The voting rights on these shares shall remain frozen until the shares have been claimed by and transferred to the rightful owner.

On behalf of Board of Directors

Sd/-
Rajesh Mandawewala
Chairman

Place: Mumbai
Date: May 05, 2023

FINANCIAL STATEMENTS

Standalone Independent Auditor’s Report -

Standalone Financials -

Consolidated Independent Auditor’s Report -

Consolidated Financials -

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the Members of AYM Syntex Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of AYM Syntex Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone 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 standalone 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, 2023, 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 Standalone 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 standalone 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

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

Key audit matter	How our audit addressed the key audit matter
Assessment of realisability of Minimum Alternate Tax ('MAT') credit entitlement **(Refer note 9 of the standalone financial statements)** The Balance of Minimum Alternate Tax ('MAT') credit entitlement classified under Deferred Tax Assets (net) in the balance sheet as on March 31, 2023 is Rs. 5,825.92 Lakhs. 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 based on the Company's projected taxable profits in the forthcoming years. We considered the realisability of MAT credit entitlement to be a key audit matter as the amount is material to the standalone 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 projected taxable profits.	**To evaluate the realisability of MAT Credit entitlement, our procedures included the following:** • Understood and evaluated the design and tested the operating effectiveness of the Company's controls over preparation of forecasts. • Assessed 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. • Tested the mathematical accuracy of the underlying calculations and comparing the forecasts with the budgets approved by the Board of Directors. • Assessed the reasonableness of assumptions used in the preparation of forecasts with external and internal factors including business and industry growth rates, and Company's past performance. • Applied sensitivity to the forecasts to assess whether the MAT credit carried as an asset would be utilised within the permitted remaining period. Based on the above procedures, we did not note 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.

INDEPENDENT AUDITOR'S REPORT

Key audit matter	How our audit addressed the key audit matter
Assessment of indication of impairment and the recoverable amount (RA) of Net carrying value of assets **(Refer note 2(f) of the standalone financial statements)** The carrying amount of the Company's net assets exceeded the Company'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. 60,964.09 Lakhs as at March 31, 2023. Based on such indications, an impairment assessment 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 by applying the discounted cash flow method. This has been considered a key audit matter, because of the significance of the carrying value of the assets of the Company and the estimation uncertainty in the assumptions used for calculating the recoverable amount of the net assets such as future sales, discount rate, cost of materials and growth rate over the estimation period.	**Our audit procedures related to testing impairment assessment of the carrying amount of net assets included the following:** • Understood and evaluated the design and tested the operating effectiveness of controls for identification and assessment of any potential impairment, including determining the recoverable amount of the net assets. • Assessed 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. • Used auditor's expert for testing appropriateness of the method and model used for determining the recoverable amount and evaluating reasonableness of key assumptions like discount rate, and terminal growth rate. • Evaluated reasonableness of other key assumptions used in future cash flow projections such as future sales, Cost of materials and growth rate over the estimation period. • Tested the mathematical accuracy of the models' calculation and comparing the forecasts with the budgets approved by the Board of Directors. • Performed sensitivity analysis over key assumptions to corroborate that recoverable amount is within a reasonable range. • Assessed the appropriateness of the related presentation and disclosures in the standalone financial statements. Based on the above procedures performed, we did not note any material exception in the management assessment of the recoverable amount of the net carrying value of assets.

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, management discussion & analysis and MD & CEO message, but does not include the standalone financial statements and our auditor's report thereon.

   The Director's report was obtained prior to the date of this auditor's report. However, the management discussion & analysis and MD & CEO message is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the Director's report and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

   In connection with our audit of the standalone financial statements, our responsibility is to also read the management discussion & analysis and MD & CEO message when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the management discussion & analysis and MD & CEO message, 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 standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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.

- 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT

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 standalone 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone 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, 2023, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023, 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 standalone 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 standalone financial position in its standalone financial statements – Refer note 41 to the standalone financial statements;

        ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.

        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, 2023.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 51(a)(v) to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, 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 51(a)(v) to the standalone financial statements); and

(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.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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

sd/-
Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 23102022BGTWMZ1995

Place: Mumbai
Date: May 05, 2023

INDEPENDENT AUDITOR'S REPORT

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, 2023.

Report on the Internal Financial Controls with reference to Standalone 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 standalone financial statements of AYM Syntex Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone 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 ("the Guidance Note") 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with 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 standalone 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 standalone 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 standalone 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 standalone financial statements.

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 standalone 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 standalone 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 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 standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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 issued by ICAI.

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

Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 23102022BGTWMZ1995

Place: Mumbai
Date: May 05, 2023

INDEPENDENT AUDITOR'S REPORT

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, 2023

(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 standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of the Company
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 chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. 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 standalone financial statements does not arise.

(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 or financial institutions 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 51(a)(ii) to the standalone financial statements). Further, the return/ statement for the quarter ended March 31, 2023 is yet to be submitted by the Company.

(iii) (a) The Company has made investments in one subsidiary company and granted loans t0 employees. (Also refer note 5 on Investment, note 6 and note 15 on Loans to the standalone financial statements). The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to parties other than subsidiary are as per the table given below:

Particulars	Guarantees	Security	Loans	Advances in nature of Loans
Aggregate amount granted / provided during the year - Others	NA	NA	133.21 Lakhs	NA
Balance outstanding as a balance sheet date in respect of the above case - others	NA	NA	53.55 Lakhs	NA

(b) In respect of the aforesaid investments and employee loans, the terms and conditions under which such loans were granted and investment made are not prejudicial to the Company's interest.

(c) In respect of the aforesaid employee loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the aforesaid employee loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue advances in nature of loan.

(f) The loans granted during the year, had stipulated the scheduled repayment of principal and the same were not repayable on demand.

(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 referred in 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 undisputed statutory dues in respect of provident fund and Maharashtra labour welfare fund though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 41 on Contingent liability disclosure to the standalone 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 provident fund, employees' state insurance, sales tax, duty of excise, value added tax and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)*	Period to which the amount relates	Forum where the dispute is pending
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
The Goods and Services Tax Act, 2017		23.62	Financial Years 2018-19	Commissioner Appeal
The Customs Act, 1962	Duty to Customs	25.00	Financial Year 2013-14	Commissioner of Customs (Appeals), Mumbai
		64.26	Financial Year 2014-15	Commissioner of Customs (Appeals), Raigad

(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

INDEPENDENT AUDITOR'S REPORT

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 Wilful 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 51(a)(viii) to the standalone 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 standalone 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 on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary.

(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.

(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 standalone 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/ 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) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is 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.

(xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer note 51(b) to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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

Pankaj Khandelia
Partner
Membership Number : 102022
UDIN : 23102022BGTWMZ1995

Mumbai
May 5, 2023

STANDALONE BALANCE SHEET

as at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS				
1.	**Non-Current Assets**			
(a)	Property, plant and equipment	3a	44,051.67	44,228.72
(b)	Right-of-use assets	3b	730.88	1,637.27
(c)	Capital work-in-progress	3a	3,096.46	1,495.32
(d)	Intangible assets	4	19.33	31.82
(e)	Financial assets			
	i. Investments	5	1.00	-
	ii. Loans	6	56.28	55.38
	iii. Other financial assets	7	299.36	228.99
(f)	Income tax assets (net)	8	180.37	108.64
(g)	Deferred tax assets (net)	9	1,995.82	2,195.55
(h)	Other non-current assets	10	568.91	642.78
	Total Non-Current Assets		**51,000.38**	**50,624.47**
2.	**Current Assets**			
(a)	Inventories	11	19,940.26	18,828.65
(b)	Financial assets			
	i. Trade receivables	12	10,404.75	11,191.19
	ii. Cash and cash equivalents	13	908.04	385.07
	iii. Bank balances other than cash and cash equivalents above	14	1,312.21	1,688.72
	iv. Loans	15	52.61	59.62
	v. Other financial assets	16	153.46	31.20
(c)	Other Current Assets	17	8,264.65	9,856.10
	Total Current Assets		**41,035.98**	**42,040.55**
	Total Asset		**92,036.36**	**92,665.02**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	18(a)	5,035.33	5,015.36
(b)	Other equity			
	Reserves and Surplus	18(b)	36,990.02	35,981.98
	Total Equity		**42,025.35**	**40,997.34**
1.	**Liabilities**			
Non-Current Liabilities				
(a)	Financial liabilities			
	i. Borrowings	19	15,162.37	14,668.41
	ii. Lease Liabilities	3(b)	171.18	946.97
	iii. Other financial liabilities	20	242.28	502.96
(b)	Employee benefit obligations	21	742.27	806.83
(c)	Other non current liabilities	22	-	0.45
	Total non-current liabilities		**16,318.10**	**16,925.62**
2.	**Current liabilities**			
(a)	Financial liabilities			
	i. Borrowings	23	11,637.96	12,654.25
	ii. Lease Liabilities	3(b)	602.84	698.79
	ii. Trade payables	24		
	Dues to micro, small and medium enterprises		1,590.41	1,904.83
	Dues to creditors other than micro, small and medium enterprises		17,661.16	16,289.16
	iii. Other financial liabilities	25	946.72	1,139.79
(b)	Employee benefit obligations	26	535.32	738.44
(c)	Income tax liabilities	27	3.32	581.61
(d)	Other Current Liabilities	28	715.18	735.19
	Total Current Liabilities		**33,692.91**	**34,742.06**
	Total Liabilities		**50,011.01**	**51,667.68**
	Total Equity and Liabilities		**92,036.36**	**92.665.02**

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.
This is the Standalone Balance Sheet referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
INCOME			
Revenue from operations	29	145,778.22	149,145.95
Other income	30	786.85	435.91
Total income		**146,565.07**	**149,581.86**
EXPENSES			
Cost of materials consumed	31	87,396.79	87,863.27
Changes in inventories of finished goods and goods-in-process	32	(192.71)	(2,467.52)
Employee benefit expense	33	6,547.98	6,458.35
Depreciation and amortization expense	34	5,651.87	5,055.83
Other expenses	35	42,498.16	41,121.29
Finance costs	36	3,599.41	3,593.89
Total expenses		**145,501.50**	**141,625.11**
Profit Before Tax		**1,063.57**	**7,956.76**
Income Tax Expense	37		
Current tax		435.59	1,403.55
Deferred tax		(88.76)	1,471.78
Total Tax Expense		**346.83**	**2,875.33**
Profit for the year		**716.74**	**5,081.43**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Add : Remeasurements of post employment benefit obligations	33	115.17	20.08
Less : Income tax effect on above	37	40.25	7.02
Other comprehensive income for the year, net of tax		**74.92**	**13.06**
Total Comprehensive Income for the Year		**791.66**	**5,094.49**
Earnings per share	43		
Basic (₹)		1.43	10.14
Diluted (₹)		1.41	10.01

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.
This is the Standalone Balance Sheet referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

STANDALONE STATEMENT OF CASH FLOW

for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,063.57	7,956.75
Adjustments for:		
Depreciation and amortisation expense	5,651.87	5,055.83
Finance costs	3,599.41	3,593.89
Net unrealised foreign exchange (gain)/loss	(4.66)	(29.37)
Lease concessions	(7.10)	-
Share based expense	216.38	125.03
Loss / (Gain) on sale of investments (Net)	-	(3.92)
Loss on sale/discard of property, plant and equipment (Net)	110.65	234.59
Unwinding of discount on security deposits	(16.95)	(6.46)
Interest income	(59.53)	(89.61)
Operating profit before changes in operating assets and liabilities	**10,553.64**	**16,836.73**
Adjustments for changes in operating assets and liabilities:		
(Increase) / decrease in inventories	(1,111.62)	(3,011.00)
(Increase) / decrease in trade receivables	786.44	(1,189.66)
Increase / (decrease) in trade payables	1,062.06	(3,389.48)
Increase / (decrease) in other current financial liabilities	33.91	7.41
Increase / (decrease) in employee benefit obligations	(152.51)	(44.86)
Increase / (decrease) in other current liabilities	(20.01)	227.09
Increase / (decrease) in other non-current liabilities	(0.45)	(5.42)
(Increase) / decrease in Loans and other financial assets	(103.91)	(221.98)
(Increase) / decrease in other current and non-current financial assets	1601.84	(3,314.00)
Cash Generated from Operations	**12,649.39**	**5,894.83**
Income tax paid	(837.38)	(886.76)
Net cash generated from operating activities	**11,812.01**	**5,008.07**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for property, plant, equipment and intangible assets	(7,795.13)	(6,530.17)
Proceeds from sale of property, plant and equipment	32.85	27.44
Realisation / (investment) in fixed deposit and margin money (Net)	298.69	690.33
Sale / (Purchase) of Investment (Net)	-	3.92
Interest received	71.38	109.80
Investment in Subsidiary	(1.00)	-
Net cash used in investing activities	**(7,393.21)**	**(5,698.68)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	19.97	11.83
Proceeds / (Repayments) of long term borrowings	768.84	(488.08)
Proceeds / (Repayments) of short term borrowings	(1,703.41)	4,887.96
Principal elements of lease payments	(615.28)	(444.23)
Proceeds from Intercorporate deposit	1,200.00	-
Finance costs paid	(3,565.95)	(3,594.19)
Net cash generated from / (used in) financing activities	**(3,565.95)**	**373.29**
Net (decrease) / increase in Cash and Cash Equivalents	**(3,895.83)**	**(317.32)**
Cash and cash equivalents at the beginning of the year	385.07	702.39
Cash and cash equivalents at the end of the year	**908.04**	**385.07**
Non-cash investing/ financing activities		
- Acquisition of right-of-use assets	67.38	1,533.78
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents comprise of:		
Cash on Hand (Refer Note 12)	20.96	14.45
Balance with banks in current accounts (Refer Note 12)	887.08	370.62
Cash and bank balances at the end of the year	**908.04**	**385.07**

Notes :

1) Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind AS) 3 "Statement of Cash Flows".

2) Previous year figures are regrouped/reconsidered wherever necessary.

This is the Cash Flow Statement referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(All amounts in ` Lakhs, unless otherwise stated)

A EQUITY SHARE CAPITAL

Particulars	Notes	Amount
Balance as at March 31, 2021		**5,003.53**
Changes in equity share capital during the year	17(a)	11.83
Balance as at March 31, 2022		**5,015.36**
Changes in equity share capital during the year	17(a)	19.97
Balance as at April 1, 2023		**5,035.33**

B OTHER EQUITY

Particulars	Notes	Reserves and Surplus						Total Other Equity
		Capital reserve	Securities premium reserve	General Reserve	Share options outstanding account	Capital Redemption Reserve	Retained earnings	
Balance as at 31 March 2021		**2,664.93**	**7,016.39**	**107.06**	**105.94**	**293.36**	**20,574.79**	**30,762.47**
Profit for the year		-	-	-	-	-	5,081.42	**5,081.42**
Other comprehensive income		-	-	-	-	-	13.06	**13.06**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**5,094.48**	**5,094.48**
Share options outstanding account	**17(b)**	-	40.20	-	125.03	-	-	**165.23**
Employee stock options exercised	**17(b)**	-	-	-	(40.20)	-	-	**(40.20)**
Balance as at 31 March 20222		**2,664.93**	**7,056.59**	**107.06**	**190.77**	**293.36**	**25,669.27**	**35,981.98**
Balance as at 31 March 20222		**2,664.93**	**7,056.59**	**107.06**	**190.77**	**293.36**	**25,669.27**	**35,981.98**
Profit for the year		-	-	-	-	-	716.74	**716.74**
Other comprehensive income		-	-	-	-	-	74.92	**74.92**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**791.66**	**791.66**
Share options outstanding account	**17(b)**	-	103.26	-	216.38	-	-	**319.64**
Employee stock options exercised	**17(b)**	-	-	-	(103.26)	-	-	**(103.26)**
Balance as at 31 March 20223		**2,664.93**	**7,159.85**	**107.06**	**303.89**	**293.36**	**26,460.93**	**36,990.02**

Notes :

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

NOTES

to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

General information

AYM Syntex Limited (herein referred to as "AYM" or "the Company") is public limited Company incorporated and domiciled in India. The address of its registered office is Survey No. 374/1/1, Saily, Silvassa -396230 (U.T. of Dadra & Nagar Haveli), India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). Since its inception, it has grown manifold and today is amongst the largest manufacturers and exporters of Polyester Filament Yarn, Nylon Filament Yarn and Bulk Continuous Filament Yarn from India.

The standalone financial statements were authorised for issue by the board of directors on May 05, 2023.

Note 1: Significant Accounting Policies

This Note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of Preparation of Standalone Financial Statements

(i) Compliance with Ind AS

The standalone financial statements have been prepared in accordance with the accounting principles generally accepted in India and comply in all material aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, presentation requirement of Division II of Schedule III of the Companies Act, 2013 and other relevant provisions of the Act as amended from time to time.

(ii) Historical cost convention

The standalone financial statements have been prepared on an accrual and going concern basis. The standalone financial statements have been prepared on a historical cost basis, except as stated in subsequent policies for the following items:

- Certain financial assets and liabilities - Fair value
- Assets held for sale – Lower of cost or fair value less cost of sale
- Share based payments – Fair value

(iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of standalone financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

1.2 Foreign currency translation

a) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian rupees (INR), which is Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the standalone statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the standalone statement of profit and loss on a net basis within other income or other expenses, as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The Company has applied the exemption from the transition date i. e. April 1, 2016 in respect of accounting policy followed for long term foreign currency monetary items. Accordingly, foreign exchange differences, in respect of the long term foreign currency items till the year ended March 31, 2017, on account of depreciable assets are adjusted in the cost of depreciable assets and depreciated over the balance life of the assets.

1.3 Revenue recognition

The Company derives revenues primarily from sale of manufactured goods and related services. The Company has assessed revenue contracts and revenue is recognised upon satisfying specific performance obligations in accordance with provisions of contract with the customer.

It recognizes revenue when control over the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange of those goods or services.

This is generally determined when documents of title/goods are delivered/shipped to the customer in accordance with the agreed terms, following which the customer has full discretion over responsibility, manner of distribution and price to sell the goods and bears the risks of obsolescence and loss in relation to the goods and there is no unfulfilled obligation that would affect customer's acceptance of the product. All the foregoing occurs at a point in time upon shipment or delivery of the documents of title/product or goods.

The Company considers terms of the contract in determining the revenue. It is measured at the price that reflects the consideration the Company expects to be entitled to in exchange for satisfaction of the performance obligation. The Company considers freight, insurance and handling activities as costs to fulfil the promise to transfer products and related services and the customer payments for such activities are recorded as a component of revenue.

In certain customer contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a distinct separate performance obligation and revenue is recognised when such freight services are rendered. The related shipping and handling costs incurred are included in freight expenses when the Company is acting as principal in the shipping and handling arrangement.

For volume discounts and pricing incentives / concessions offered to the customers, the Company makes estimates and provide for, based on customer performance and sales volume, which is recorded as deductions from revenue.

Revenue from sale of by-products are included in revenue. Revenue from services is recognised when the services are completed. Revenue excludes any taxes and duties collected on behalf of the government.

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The Company does not have any contracts where in the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

A receivable is recognised when the goods are delivered and to the extent it has an unconditional right to consideration (i.e. only the passage of time is required before the payment of consideration is due).

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to financial statements for the Year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Consideration received before a related performance obligation is satisfied or before the Company transfer goods or services to the customer are recognised as contract liabilities. Contract liabilities are recognised as revenue when the Company completes its performance obligation under the contract.

Export Incentives

Export incentives and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

Export benefits arising from duty drawback scheme, remission of duties and taxes on export products and merchandise export incentive scheme are recognised on shipment for export at the rate at which they accrue and is included in other operating income

1.4 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to profit or loss over the periods and in proportions in which depreciation expense on those assets is recognised.

1.5 Income Tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and unabsorbed tax losses.

a) Current income tax

Current income tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred income tax

Deferred income tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred income tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and Deferred Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax ('MAT') credit entitlement is recognised as a deferred tax asset by crediting the standalone Statement of profit and loss only when and to the extent there is convincing evidence that MAT credit will reverse in the foreseeable future and the Company will be able to utilize the said credit against normal tax payable during the specified period.

1.6 Leases

As a lessee

Leases are recognised as a right-of-use (ROU) asset and a corresponding liability at the date at which the leased asset is available for use by the Company for all leases except short-term leases. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities are recognised based on the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate at the date of initial application is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Company, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company use that rate as a starting point to determine the incremental borrowing rate.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

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to financial statements for the Year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are measured at cost comprising the following:

- initial amount of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

They are subsequently measured at cost less accumulated depreciation. ROU assets are depreciated from the commencement date over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Lease liability and ROU assets have been separately disclosed in the Balance Sheet and lease payments have been classified as financing cash flows. Payments associated with short-term leases are recognised as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

1.7 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any.

Historical cost includes expenditure that is directly attributable on making the asset ready for its intended use and location, relevant borrowing cost for qualifying assets and present value of any obligatory cost of decommissioning.

Subsequent costs of replacement and major maintenance or repair (overhaul costs) are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the Company and the cost can be measured reliably. The carrying amount of any asset or component of an asset replaced is derecognised when replaced. Overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises cost and related expenses, of property, plant and equipment that are not yet ready for their intended use at the reporting date.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements are amortised over the shorter of estimated useful life or the related lease term, unless the entity expects to use the assets beyond the lease term. Depreciation is calculated using the straight-line method to allocate the costs, net of residual values, over the estimated useful lives as follows:

Asset	Useful life (years)
Office equipment	5
Furniture and fixtures	10
Computer hardware and software	3/5
Vehicles	8
Plant and machinery*#	7 to 25
Electrical installation	10
Factory building	30
Residential and other buildings	60
Other buildings (carpeted roads)	10

*Extra shift depreciation is provided.

#Useful lives determined based on technical evaluation by the expert is equal to or lower than those specified in the Schedule II.

The useful lives have been determined based on Schedule II of the Companies Act, 2013. The residual values are not more than 5% of the original cost of the assets. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately, if its useful life differs from that of other components of the asset.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Gains and losses on disposal or retirement are determined as the difference between net proceeds and the carrying amount. These are recognised in standalone statement of profit and loss within other expenses or other income, as applicable.

1.8 Intangible assets

a) Intangible assets with finite useful lives:

Intangible assets with finite useful lives acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

b) Research and Development

Research expenditure and development expenditure that do not meet the criteria in Note 1.8(a) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in subsequent period.

c) Amortization method and period

Intangible assets comprise of computer software and licenses which are amortised on a straight-line basis over the expected useful life over a period of five years.

1.9 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss or a reversal of an impairment loss is immediately recognised in the standalone statement of profit and loss.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current assets is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

1.11 Inventories

Raw materials and stores, goods-in-process and finished goods

Raw materials, stores, goods-in-process and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on moving weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the

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to financial statements for the Year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

estimated costs of completion and the estimated costs necessary to make the sale.

1.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Investments and Other Financial Assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in debt instruments, recognition will depend on the business model in which the investment is held.

For investments in equity instruments, recognition will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sale the financial asset.

c) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the standalone statement of profit and loss.

- **Fair value through other comprehensive income (FVOCI):**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other expenses or other incomes, as applicable. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign Exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss:**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the standalone statement of profit and loss within other expenses or other incomes, as applicable in the period in which it arises. Interest income from these financial assets is included in other income.

(ii) Equity instruments:

The Company measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the standalone statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e) Derecognition of financial assets revenue recognition

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- it retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

f) Income recognition

(i) Interest income

Interest income from financial assets at

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fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the standalone statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit- impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(ii) Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

g) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

h) Trade receivable

Trade receivables are consideration due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised/measured initially at transaction price that is unconditional unless they contain significant financing components.

Financial liabilities

a) Measurement:

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

b) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the standalone statement of profit or loss.

c) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in standalone Statement of profit and loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the standalone financial statements for issue, not to demand payment as consequence of the breach.

d) Trade and other payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30-90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

f) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.13 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

1.14 Employee benefits Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are rendered at the undiscounted amount of benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least

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twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Company operates the following post-employment schemes:

- Defined benefit plans such as gratuity, and
- Defined contribution plans such as provident fund and superannuation fund.

a) Defined Benefit Plans

(i) Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the annual reporting period less the fair value of plan assets. The defined benefit cost is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. The service cost include current service cost, past service cost, gains and losses on curtailments and settlements. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the standalone statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the standalone statement of changes in equity and in the balance sheet.

Remeasurements are not reclassified to profit and loss in the subsequent periods.

b) Defined contribution plans

(i) Provident Fund, Employee State Insurance Corporation (ESIC) and Labour Welfare Fund (LWF).

The Contribution towards provident fund, ESIC, LWF for certain employees is made to the regulatory authorities where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations apart from the contributions made on a monthly basis.

(ii) Superannuation Fund

Contribution towards superannuation fund for certain employees is made to defined contribution scheme administered by insurance Company where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

c) Shared based payments Employee options

The fair value of options under the AYM Syntex Limited Employee Option scheme is recognised as an employee benefits expense at the grant date with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and

non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and

- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period).

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity reviews its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss such that the cumulative expense reflects the revised estimate with a corresponding adjustment to equity-settled employee benefits reserve.

Bonus Plan

The Company recognizes a liability and an expense for bonus where contractually obliged or where there is a past practice that has created a constructive obligation.

1.15 Provisions and contingent liabilities

a) Provisions

Provisions for legal claims, quality claims and volume discounts are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the nominal or present value of management's best estimate of the expenditure required, taking into account the risks and uncertainties surrounding the obligation, to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

b) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

c) Contingent Assets

Contingent Assets are disclosed, where an inflow of economic benefits is probable. The Company shall not recognised a contingent asset unless the recovery is virtually certain.

1.16 Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.17 Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

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(All amounts in ₹ Lakhs, unless otherwise stated)

1.18 Earnings per share Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (Note 43).

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director, who has been identified as the chief operating decision maker, assesses the financial performance and position of the Company and makes strategic decisions. Refer Note 49 for the segment information presented.

1.20 Exceptional items

Exceptional items are items of income or expense recorded in the year in which they have been determined by management as being material by their size or incidence in relation to the standalone financial statements and are presented separately within the results of the Company. The determination of which items are disclosed as exceptional items affect the presentation of profit for the year and requires a degree of judgment.

1.21 Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs with two decimal as per the requirement of Schedule III, unless otherwise stated.

Note 2: Significant accounting assumptions, estimates and judgements

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise assumptions, estimates and judgements in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements. Accounting estimates could change from period to period.

a) Estimation of current tax expense and deferred income tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 36).

The recognition of deferred income tax assets (including MAT Credit)/ liabilities is based upon management's assessment of future taxable profits for recoverability of the deferred benefit. Expected recoverability may result from sufficient and suitable taxable profits in the future, planned transactions and planned tax optimizing measures. To determine the future taxable profits, reference is made to the latest available profit forecasts.

b) Estimation of Provisions and Contingent Liabilities.

The Company exercises judgement in measuring and recognizing provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision (Refer Note 40).

c) **Estimated useful life of Property, Plant and Equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. Internal and external factors such as changes in the expected level of usage, technological developments, product life cycle, relative efficiencies and operating costs may impact their life and the residual value of these assets. This reassessment may result in change in depreciation and amortization expense and have an impact on profit in future years. For the relative size of the Company's property, plant and equipment and intangible assets (Refer Note 3 and 4).

d) **Provision for inventories**

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the carrying balances may not realised. The identification of write- downs requires the use of estimates of net selling prices, age and quality/condition of downgraded materials / inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

Write-downs of inventories to net realisable value amounted to ₹ 318.91 lakhs (March 31, 2022: ₹ 316.15 lakhs). These were recognised as an expense during the year and included in 'changes in the inventories of work-in-progress and finished goods' in standalone statement of Profit and Loss.

e) **Estimation of Defined Benefit Obligation**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Significant judgements are required when setting these assumptions which include estimation of appropriate discount rate, inflation, salary growth, attrition rates and mortality rates. Any changes in these assumptions will impact the carrying amount of such obligations. All assumptions are reviewed at each reporting date.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that is used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer Note 33 for the details of the assumptions used in estimating the defined benefit obligation.

f) **Estimation of impairment of non-current assets**

Ind AS 36 requires that the Company assesses whether there is any indication of impairment to an asset or a cash generating unit and recoverability of potentially impaired assets. The indication come from interplay of various internal and external factors. Based on the indications/conditions which can be external or internal, impairment testing requires an estimate of value in use of the assets. The company applies the discounted cash flow method based on the continued use of the assets in the present condition for calculation of value in use. In considering the value in use, the management requires the use of estimates of, among other uncertain variables, capacity utilization, sales, cost of materials, operating margins, rate of growth, currency rate movements and discount rates of the underlying business/operations.

Any consequent changes to the cash flows due to changes in any of the above factors could impact the carrying value of the assets.

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to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 3A: PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Leasehold Improve-ments	Building	Plant & Mac-hinery	Vehicles	Furniture and Fixtures	Equipments	Computers	Total	Capital work in progress
Year ended March 31, 2022 **Gross carrying amount**										
Opening gross carrying amount	1,607.42	17.31	8154.91	47,956.55	183.42	242.17	186.36	490.38	58,838.52	1,722.22
Additions	-	-	-	62.55	9.41	17.81	4.01	17.62	111.40	7,463.22
Disposals	-	-	-	(482.34)	-	-	(2.91)	(27.11)	(512.36)	-
Transfers from CWIP	-	-	-	7,523.62	-	1.31	5.31	160.01	7,690.25	(7,690.25)
Closing gross carrying amount	**1,607.42**	**17.31**	**8,154.91**	**55,060.38**	**192.83**	**261.29**	**192.77**	**640.90**	**66,127.81**	**1495.32**
Accumulated depreciation										
Opening accumulated depreciation	-	16.27	1195.86	15,614.49	68.25	90.31	123.92	411.28	17520.38	-
Depreciation charge during the year	-	-	313.05	4,200.55	21.90	24.46	26.96	42.90	4629.82	-
Disposals	-	-	-	(247.03)	-	-	(2.79)	(1.29)	(251.11)	-
Closing accumulated depreciation	**-**	**16.27**	**1508.91**	**19,568.01**	**90.15**	**114.77**	**148.09**	**452.89**	**21899.09**	**-**
Net carrying amount as at March 31, 2022	**1,607.42**	**1.04**	**6,646.00**	**35,492.37**	**102.68**	**146.52**	**44.68**	**188.01**	**44,228.72**	**1,495.32**
Year ended March 31, 2023 **Gross carrying amount**										
Opening gross carrying amount	1,607.42	17.31	8,154.91	55,060.38	192.83	261.29	192.77	640.90	66,127.81	1,495.32
Additions	44.62	-	-	77.11	-	0.44	3.11	7.68	132.96	6,415.15
Disposals	-	-	(4.43)	(467.44)	-	(0.07)	(0.02)	-	(471.96)	-
Transfers from CWIP	-	-	843.53	3,871.11	-		5.90	93.47	4,814.01	(4,814.01)
Closing gross carrying amount	**1,652.04**	**17.31**	**8,994.01**	**58,541.16**	**192.83**	**261.66**	**201.76**	**742.05**	**70,602.82**	**3,096.46**
Accumulated depreciation										
Opening accumulated depreciation	-	16.27	1,508.91	19,568.01	90.15	114.77	148.09	452.89	21,899.09	-
Depreciation charge during the year	-	-	384.17	4,460.11	22.11	25.02	20.48	68.63	4,980.52	-
Disposals	-	-	(1.30)	(327.11)	-	(0.04)	(0.01)	-	(328.46)	-
Closing accumulated depreciation	**-**	**16.27**	**1,891.78**	**23,701.01**	**112.26**	**139.75**	**168.56**	**521.52**	**26,551.15**	**-**
Net carrying amount as at March 31, 2023	**1,652.04**	**1.04**	**7,102.23**	**34,840.15**	**80.57**	**121.91**	**33.20**	**220.53**	**44,051.67**	**3,096.46**

Notes :

(i) Refer to Note 19 for information on property, plant and equipment hypothecated / pledged as security by the Company.

(ii) Contractual obligations : Refer to Note 42 for disclosure of contractual commitments for acquisition of property, plant and equipment.

(iii) Borrowing costs allocated to fixed assets / capital work in progress is ₹ 40.83 lakhs (March 31, 2022 : ₹ 39.12 lakhs) (Refer note 36).

(iv) Capital work-in-progress - Capital work-in-progress mainly comprises of new plant and machinery for spinning and texturising process, being installed/constructed in India. (Refer Note 3a(i))

(v) In accordance with para D13AA of Ind AS 101 First time adoption of Indian Accounting Standards and the option available in the Companies (Accounting Standards) (Second Amendment) Rules, 2011, vide notification dated December 29, 2011 issued by the Ministry of Corporate Affairs, the Company has adjusted the exchange rate difference arising on long term foreign currency monetary items, in so far as they relate to the acquisition of a depreciable capital asset, to the cost of the asset.

Accordingly, the Company has adjusted exchange gain of ₹ Nil (March 31, 2022: ₹ 8.95 lakhs) to the cost of property, plant and equipment as the long term monetary items relate to depreciable capital asset.

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(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 3a (i) CAPITAL WORK IN PROGRESS

(A) AGING OF CWIP:

Projects in progress	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
March 31, 2023	2,882.63	213.83	-	-	3096.46
March 31, 2022	1,495.32	-	-	-	1,495.32

NOTE 3a (ii) COMPLETION SCHEDULE FOR CAPITAL WORK-IN-PROGRESS WHOSE COMPLETION IS OVERDUE :

Projects in progress	To be Completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
March 31, 2023	-	-	-	-	-
March 31, 2022	-	-	-	-	-

NOTE 3a (iii) TITLE DEEDS OF IMMOVABLE PROPERTY NOT IN THE NAME OF THE COMPANY

Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Building	Building - Residential flats - Flat No. C-4-18 to C-4-23 (6 flats) at Vardhman Co-op. Hsg Soc.Ltd. Survey No. 91, Village Lavachha Tal. Pardi.	14.85	Original title deeds not traceable	No	30-Sep-98	Original title deeds not traceable

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Note 3(b): LEASES

This note provides information for leases where the Company is a lessee.

The Company leases various offices, warehouses and vehicles etc. Rental contracts are typically made for fixed periods of 6 months to 5 years, but may have extension options as described in (ii) below.

(i) **Amounts recognised in balance sheet**

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2023	As at March 31, 2022
Right-of-use assets		
Buildings	730.88	1,634.92
Vehicles	-	2.35
Total	**730.88**	**1,637.27**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities		
Current	602.84	698.79
Non-current	171.18	946.97
Total	**774.02**	**1,645.76**

Additions to the right-of-use assets during the current financial year were ₹ 67.38 lakhs (March 31, 2022: ₹ 1533.78 lakhs).

(ii) **Amounts recognised in the statement of profit and loss**

The statement of profit or loss shows the following amounts relating to leases:

Particulars	Note No	As at March 31, 2023	As at March 31,2022
Depreciation charge of right-of-use assets			
Buildings	34	656.50	394.45
Vehicles	34	2.36	9.79
Total		**658.86**	**404.24**

Particulars	Note No	As at March 31, 2023	As at March 31,2022
Interest expense (included in finance costs)	36	107.23	69.57
Expense relating to short-term leases (included in other expenses)	35	18.00	13.06
Total		**125.23**	**82.63**

The total cash outflow for leases for the year ended March 31, 2023 was ₹ 722.51 lakhs (March 31, 2022: ₹ 513.8 lakhs).

The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

The lease liability is remeasured during the year ended March 31, 2023 due to decrease in scope of lease. Due to this, the carrying amount of the right-of-use assets is decreased to reflect the partial termination of lease resulting in a gain of ₹ 7.10 lakhs.

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 4: INTANGIBLE ASSETS

Particulars	Computer Software
Year ended March 31, 2022	
Gross carrying amount	
Opening	123.66
Additions during the year	13.59
Disposals during the year	-
Closing gross carrying amount	137.25
Accumulated amortisation	
Opening	83.67
Charge during the year	21.76
Amortisation on disposals	-
Closing accumulated amortisation	105.43
Net carrying amount as at March 31, 2022	**31.82**
Year ended March 31, 2023	
Gross carrying amount	
Opening	137.25
Additions during the year	-
Disposals during the year	-
Closing gross carrying amount	**137.25**
Accumulated amortisation	
Opening	105.43
Charge during the year	12.49
Amortisation on disposals	-
Closing accumulated amortisation	**117.92**
Net carrying amount as at March 31, 2023	**19.33**

NOTE 5: NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Unquoted (Investment in subsidiary)		
10,000 equity shares of face value of ₹ 10 each (March 31, 2022 : Nil) - AYM Textiles Private Limited	1.00	-
Total	**1.00**	**-**

NOTE 6: LOANS- NON-CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Loans to employees	56.58	55.38
Total	**56.58**	**55.38**

NOTE 7 : NON-CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	193.00	200.45
Deposits with banks with maturity period of more than 12 months	106.36	28.54
Total	**299.36**	**228.99**

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to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 8: INCOME TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax assets	108.64	108.64
Add : Taxes Paid	259.08	-
MAT utilised	248.24	-
Less : Provision for current tax	(435.59)	-
Total	**180.37**	**108.64**

The above asset are net of provision for tax ₹ 2,874.86 lakhs (March 31, 2022 : ₹ 2439.27 lakhs)

NOTE 9: DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Defined benefit obligation	377.07	430.73
Provision for doubtful debts	21.85	58.00
MAT credit entitlement*	5,825.92	6,074.16
Lease liabilities	270.47	575.10
Others including expenses allowable on payment basis	408.55	393.52
	6,903.86	**7,531.51**
Deferred tax liabilities		
Depreciation	4,652.64	4,763.83
Right-of-use assets	255.40	572.13
	4,908.04	**5,335.96**
Net defered tax assets	**1,995.82**	**2,195.55**

Note:

*In assessing the realisability of deferred tax on MAT credit entitlement, the Company considers the extent to which it is probable that the credit will be realised. 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.The Company considers the expected projected future taxable income and tax planning strategies in making this assessment. Based on this, the Company believes that it is probable that it will realise the benefits of this MAT credit entitlement.

MOVEMENT IN DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

	Deferred tax assets					Deferred tax liabilities		
	Unabsorbed tax losses-depreciation	MAT credit entitlement	Defined benefit obligation	Provision	Lease Liabilities	Depreciation	Right-of-use assets	Net deferred tax assets
As at April 1, 2021	**1,834.51**	**5,473.83**	**436.15**	**498.76**	**206.74**	**4,594.24**	**181.41**	**3,674.34**
Charged/credited:								
- to profit or loss	(1,834.51)	600.33	1.60	(47.24)	368.36	169.59	390.72	(1,471.77)
- to other comprehensive income	-	-	(7.02)	-	-	-	-	(7.02)
At March 31, 2022	**-**	**6,074.16**	**430.73**	**451.52**	**575.10**	**4,763.83**	**572.13**	**2,195.55**
As at April 1, 2022	**-**	**6,074.16**	**430.73**	**451.52**	**575.10**	**4,763.83**	**572.13**	**2,195.55**
Charged / credited								
- to statement of Profit & Loss	-	-	(13.41)	(21.12)	(304.63)	(111.19)	(316.73)	88.76
- MAT credit utilisation	-	(248.24)	-	-	-	-	-	(248.24)
- to other comprehensive income	-	-	(40.25)	-	-	-	-	(40.25)
At March 31, 2023	**-**	**5,825.92**	**377.07**	**430.40**	**270.47**	**4,652.64**	**255.40**	**1,995.82**

Utilisation of deferred tax assets on carry forward MAT credit is towards current tax payable and hence not routed through the Statement of Profit and Loss.

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to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 10 : OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	465.11	527.07
Prepaid expenses	18.47	17.95
Balances with government authorities	85.33	97.76
Total	**568.91**	**642.78**

NOTE 11 : INVENTORIES

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials		
-In stock	3,877.56	3,241.57
-In transit	4,078.95	4,039.47
Goods-in-process	**2,363.58**	**1,795.73**
Finished goods		
-In stock	4,811.45	4,647.70
-In transit	2,731.47	3,270.36
Consumables, packing materials, stores and spares	2,077.25	1,833.82
Total	**19,940.26**	**18,828.65**

Refer Note 1.11 and Note 2 (d) for basis of valuation and provision.

NOTE 12 : TRADE RECEIVABLES - UNSECURED

Particulars	As at March 31, 2023	As at March 31, 2022
Current Trade receivables from contracts billed with:		
Related parties (Refer Note 46)	209.99	173.73
Others	10,257.29	11,183.43
Less: Loss allowance	(62.53)	(165.97)
Total	**10,404.75**	**11,191.19**

AGING OF TRADE RECEIVABLES : FOR MARCH 31, 2023

Particulars	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 Months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
considered good	7,966.32	2,400.39	38.04	-	-	-	10,404.75
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	23.83	17.30	16.81	4.59	-	62.53
Less: Loss allowance	-	(23.83)	(17.30)	(16.81)	(4.59)	-	(62.53)
Total	**7,966.32**	**2,400.39**	**38.04**	**-**	**-**	**-**	**10,404.75**

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to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

AGING OF TRADE RECEIVABLES : FOR MARCH 31, 2022

Particulars	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 Months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
considered good	7,281.69	3,903.29	5.46	0.64	0.11	-	11,191.19
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	43.35	7.59	24.37	89.11	1.55	165.97
Less: Loss allowance	-	(43.35)	(7.59)	(24.37)	(89.11)	(1.55)	(165.97)
Total	**7,281.69**	**3,903.29**	**5.46**	**0.64**	**0.11**	**-**	**11,191.19**

NOTE 13 : CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Banks		
- in current accounts	779.61	320.65
- in EEFC account	107.47	49.97
Cash on hand	20.96	14.45
Total	**908.04**	**385.07**

NOTE 14 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks in		
- in margin money deposits with banks having maturity period upto twelve months (Refer below}	1,312.21	1,688.72
Total	**1,312.21**	**1,688.72**

Notes:

Fixed money deposits with banks having maturity period more than 12 months are disclosed under "Non-current financial assets - Other financial assets" (Refer Note 7)

NOTE 15 : LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
Loans and advances to employees	52.61	59.62
Total	**52.61**	**59.62**

NOTE 16 : CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	105.32	70.76
Less : Provision for doubtful balances	(70.76)	(70.76)
Interest accrued on fixed deposits	19.35	31.20
Other receivables	99.55	-
Total	**153.46**	**31.20**

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 17 : OTHER CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Assets held for disposal	5.70	5.60
Advances to vendors (recoverable in cash or kind)	986.39	1,758.98
Prepaid expenses	127.29	151.58
Balances with government authorities	6866.54	7,601.91
Export benefits receivable	278.73	338.03
Technology upgradation fund subsidy receivable	391.31	391.31
Less: Loss allowance	(391.31)	(391.31)
Total	**8,264.65**	**9,856.10**

NOTE 18(A) : EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized equity share capital		
9,20,00,000 (March 31, 2022: 9,20,00,000) Equity Shares of ₹ 10/- each	9,200.00	9,200.00
2,80,00,000 (March 31, 2022: 2,80,00,000) Optionally Convertible Cumulative Preference Shares of ₹ 10/- each	2,800.00	2,800.00
	12,000.00	**12,000.00**
Issued, subscribed and fully paid up equity share capital		
50,35,3314 (March 31, 2022: 50,153,634) Equity Shares of ₹ 10/- each fully paid up	5,035.33	5,015.36
Total	**5,035.33**	**5,015.36**

Movement in equity share capital	Number of equity shares	Amount
As at March 31, 2020	**49,975,114**	**4,997.51**
Add: Exercise of options - proceeds received	60,200	6.02
As at March 31, 2021	**50,035,314**	**5,003.53**
Add: Exercise of options - proceeds received	118,320	11.83
As at March 31, 2022	**50,153,634**	**5,015.36**
Add: Exercise of options - proceeds received	199,680	19.97
As at March 31, 2023	**50,353,314**	**5,035.33**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. All issued shares rank pari-passu and have same voting rights per share. The Company declares and pays dividend in indian rupees.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity shares held by holding company	As at March 31, 2023	As at March 31,2022
Mandawewala Enterprises Limited	36,734,927	36,734,927

Details of shareholders holding more than 5% equity shares		As at March 31, 2023	As at March 31,2022
Mandawewala Enterprises Limited	Number of equity shares	36,734,927	36,734,927
Mandawewala Enterprises Limited	Percentage of holding	72.95%	73.24%

	As at March 31, 2023			As at March 31, 2022		
Details of shareholding of promoters	Number of Shares	Percentage of total number of shares	Percentage of change during the year	Number of Shares	Percentage of total number of shares	Percentage of change during the year
Mandawewala Enterprises Limited	36,734,927	72.95%	-0.29%	36,734,927	73.24%	0.83%
RRM Family Trust	500,000	0.99%	-0.01%	500,000	1.00%	100.00%

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NOTE 18 (B): OTHER EQUITY - RESERVES AND SURPLUS

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	2,664.93	2,664.93
Capital redemption reserve	293.36	293.36
Securities premium	7,159.85	7,056.59
General reserve	107.06	107.06
Share options outstanding account	303.89	190.77
Retained earnings	26,460.93	25,669.27
Total	**36,990.01**	**35,981.98**

Movement	As at March 31, 2023	As at March 31, 2022
- Capital reserve		
As per last balance sheet	2,664.93	2,664.93
Add/(less): Changes during the year	-	-
	2,664.93	**2,664.93**
- Capital redemption reserve		
As per last balance sheet	293.36	293.36
Add/(less): Changes during the year	-	-
	293.36	**293.36**
- Securities premium		
As per last balance sheet	7,056.59	7,016.39
Add: Exercise of options - proceeds received	103.26	40.20
	7,159.86	**7,056.59**
- General reserve		
As per last balance sheet	107.06	107.06
Add/ (Less): Changes during the year	-	-
	107.06	**107.06**
- Share options outstanding account		
As per last balance sheet	190.77	105.94
Add: Employee share based payment expense	216.38	125.03
Less: Employee stock options exercised	103.26	40.20
	303.89	**190.77**
- Retained earnings		
Opening balance	25,669.27	20,574.79
Restated Balance	25,669.27	20,574.79
Add/(Less):		
Net profit for the year	716.74	5,081.42
Item of other comprehensive income recognized directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	74.92	13.06
	26,460.93	**25,669.27**

Nature and purpose of reserves

Capital reserve

Capital reserve represents capital surplus and is not available for distribution as dividend.

Securities premium reserve

Securities premium is used to record the premium received on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve (CRR)

CRR is created on redemption of preference shares in accordance with the provisions of the Act.

Debenture redemption reserve (DRR)

DRR was created on issue of debentures in the earlier years. This has been transferred to General reserve as the debentures have been redeemed.

General reserve

General reserve represents appropriation of profits by the Company.

Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under AYM Syntex Limited employee stock option plan.

Retained earnings

Retained earnings represent the accumulated undistributed earnings.

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 19 : NON-CURRENT BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term loans from banks		
- Rupee loans	18,534.56	17,765.72
Unsecured, considered good		
Inter-corporate deposits from related parties	2,400.00	1,200.00
Less: Current maturities of long-term debt (included in current borrowings)	(5,772.19)	(4,297.31)
Total	**15,162.37**	**14,668.41**

Note:

The rate of interest on the borrowings are in range of 7.75% to 9.30% p .a. (March 31, 2022 : 7.6% to 11% p.a.). The rupee term loans from banks are eligible for Central and State Government interest subsidies/ rebates.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalent	908.04	385.07
Lease liabilities	(774.02)	(1645.76)
Term Loans from banks	(20,934.56)	(18965.72)
Current borrowings (including overdraft)	(5,865.77)	(8,356.94)
Net debt	**(26,666.31)**	**(28,583.35)**

Particulars	Other assets	Liabilities from financial activities			
	Cash and Cash equivalents	Lease Liabilities	Non Current borrowings*	Current borrowings	Total
Cash flows (net)	529.18	320.50	829.12	3,547.08	5,225.88
Net debt as at March 31,2021	**702.39**	**(591.63)**	**(19,453.80)**	**(2,573.11)**	**(21,916.15)**
Cash flows (net)	(317.32)	444.23	488.08	(5,783.83)	(5,168.84)
New leases	-	(1,498.36)	-	-	(1,498.36)
Interest expense	-	(69.57)	(1,715.30)	(204.98)	(1,989.85)
Interest paid	-	69.57	1,715.30	204.98	1,989.85
Net debt as at March 31, 2022	**385.07**	**(1,645.76)**	**(18,965.72)**	**(8,356.94)**	**(28,583.35)**
Cash flows (net)	522.97	615.28	(1,968.84)	2,491.17	1,660.58
New leases	-	(67.38)	-	-	(67.38)
Interest expense	-	(107.23)	(1,765.07)	(513.34)	(2,385.64)
Interest paid	-	107.23	1,765.07	513.34	2,385.64
Non-cash movements					
- Fair value adjustment	-	323.84	-	-	323.84
Net debt as at March 31, 2023	**908.04**	**(774.02)**	**(20,934.56)**	**(5,865.77)**	**(26,666.31)**

* Includes current maturities of long-term borrowings

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to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Last installment due	Terms of Repayment	As at March 31, 2023	As at March 31, 2022
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**April-2024**	Repayable in 28 quarterly installments commencing from Jan 2017	340.78	565.78
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**April-2024**	Repayable in 28 quarterly installments commencing from Jan 2017	486.95	825.99
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**September - 2024**	Repayable in 27 quarterly installments commencing from July 2017	448.58	710.61
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**January 2025**	Repayable in 30 quarterly installments commencing from July 2017	771.03	1,031.99
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**April-2025**	Repayable in 28 quarterly installments commencing from June 2018	851.32	1,215.82
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**April-2025**	Repayable in 28 quarterly installments commencing from October 2018	528.84	722.53
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**July-2026**	Repayable in 28 quarterly installments commencing from October 2018	1,558.94	1,900.72
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**Jun-2026**	Repayable in 29 quarterly installments commencing from December 2019	4,383.15	5,345.64
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**June-2022**	Repayable in 18 Monthly installments commencing from January 2021	-	69.33
Rupee working capital term loan is secured by 2nd pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**February-26**	Repayable in 48 Monthly installments commencing from March 2022.	678.13	910.63
Rupee working capital term loan is secured by 2nd pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**February-26**	Repayable in 48 Monthly installments commencing from April 2022.	1,808.33	2,428.33
Rupee working capital term loan is secured by 2nd pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**March- 2026**	Repayable in 48 Monthly installments commencing from April 2022.	225.00	300.00
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties of the Company	**November - 2026**	Repayable in 18 quarterly installments commencing from August 2022	1,932.40	1,738.34
Rupee term loan is secured by 1st pari passu charge over the entire fixed assets, and 2nd pari passu charge over the entire current asset of the Company	**August- 2027**	Repayable in 16 quarterly installments commencing from Nov 2023	2,488.96	-
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties of the Company	**Mar- 2028**	Repayable in 20 quarterly installments commencing from Jun 2023	2,032.15	-
Total			**18,534.56**	**17,765.72**

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(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 20 : OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors for capital purchases	242.28	502.96
Total	**242.28**	**502.96**

NOTE 21 : NON-CURRENT EMPLOYEE BENEFIT OBLIGATIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (Refer Note 33)	742.27	806.83
Total	**742.27**	**806.83**

NOTE 22 : OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred capital subsidy	-	0.45
Total	**-**	**0.45**

NOTE 23 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Working capital loan from banks		
- Rupee loans	5,560.51	2,414.06
Current maturities of long-term borrowings (Refer Note 19)	**5,772.19**	**4,297.31**
Unsecured		
Buyers' credit from banks	305.26	5,942.88
Total	**11,637.96**	**12,654.25**

Note:

The working capital loans, which includes cash credit and packing credit, are secured by hypothecation of raw material, stock-inprocess, finished goods, semi finished goods, stores, spares and book debts and other current assets of the Company and second charge on entire fixed assets of the Company.

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to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 24 : TRADE PAYABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Acceptances	11,721.69	12,991.76
Dues to micro, small and medium enterprises (Refer Note 43)	1,590.41	1,904.83
Dues to other	5,939.47	3,297.40
Total	**19,251.57**	**18,193.99**

For payables to Related parties (Refer Note 48)

AGING OF TRADE PAYABLES: FOR MARCH 31, 20223

Particulars	Not Due	Outstanding for following periods from the due date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
Micro, small and medium enterprises	1,590.41	-	-	-	-	1,591.41
Others	15,263.29	2,235.09	49.55	30.95	82.28	17,661.16
Total	**16,853.70**	**2,235.09**	**49.55**	**30.95**	**82.28**	**19,251.57**

AGING OF TRADE PAYABLES: FOR MARCH 31, 2022

Particulars	Not Due	Outstanding for following periods from the due date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
Micro, small and medium enterprises	1,904.83	-	-	-	-	1,904.83
Others	13,909.64	2,263.62	27.38	87.00	1.52	16,289.16
Total	**15,814.47**	**2,263.62**	**27.38**	**87.00**	**1.52**	**18,193.99**

NOTE 25 : OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	116.20	82.74
Unclaimed dividend (Refer Note (a) below)	-	0.36
Creditors for capital purchases	664.32	924.76
Security deposits	166.20	131.93
Total	**946.72**	**1,139.79**

Note:

During the year, the amount due for payments to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 have been transferred to the fund.

NOTE 26 : CURRENT EMPLOYEE BENEFIT OBLIGATIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (Refer Note 33)	80.64	40.05
Provision for compensated absences (Refer Note 33)	256.17	385.75
Employee benefit payables	198.51	312.64
Total	**535.32**	**738.44**

Note:

The entire amount of the provision of ₹ 256.17 lakhs (31 March 2022 – ₹ 385.75 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

NOTE 27 : INCOME TAX LIABILITIES (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	581.61	64.82
Add : Provision for Current Tax	-	1,403.55
Less : Paid during the year	(578.29)	(886.76)
Closing Balance	**3.32**	**581.61**

The above liabilities are net of advance taxes paid of ₹ 1830.51 lakhs, (March 31, 2022 : ₹ 1252.22 lakhs). (Refer Note 37)

NOTE 28 : OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Contact Liabilities	543.46	549.75
Statutory dues	171.25	180.02
Deferred capital subsidy	0.47	5.42
Total	**715.18**	**735.19**

Revenue recognised that was included in the contract liability balance at the beginning of the period is 549.75 lakhs (March 31, 2022 : 380.54 lakhs)

NOTE 29: REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers		
Sale of products	142,287.38	145,386.19
Sales of Services	343.00	403.16
Other Operating Revenue		
Sale of scrap	606.88	584.21
Export incentives (Refer Note 1.3)	2,540.96	2,772.39
Total	**145,778.22**	**149,145.95**

NOTE 30: OTHER INCOME

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Exchange difference (net)	359.32	160.67
Interest on:		
- Fixed deposits	59.53	89.61
- Others	161.87	76.68
Profit on sale of current investments	-	3.92
Insurance claim	11.43	23.00
Miscellaneous	194.70	82.03
Total	**786.85**	**435.91**

NOTES
to the Standalone Financial Statements for the Year ended March 31, 2023
(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 31: COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Raw material consumed		
Inventory at the beginning of the year	7,281.04	6,857.73
Add: Purchases	88,072.26	88,286.58
	95,353.30	95,144.31
Less: Inventory at the end of the year	7,956.51	7,281.04
Total	**87,396.79**	**87,863.27**

NOTE 32: CHANGES IN INVENTORIES OF FINISHED GOODS AND GOODS-IN-PROCESS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the end of the year		
Goods-in-process	2,363.58	1,795.73
Finished goods	7,542.92	7,918.06
	9,906.50	**9,713.79**
Less: Inventory at the beginning of the year		
Goods-in-process	1,795.73	1,542.43
Finished goods	7,918.06	5,703.84
	9,713.79	7,246.27
Total changes in inventories of finished goods and goods-in-process	**(192.71)**	**(2,467.52)**

NOTE 33: EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and allowances	5364.80	5,390.88
Employee share based payment expense (Refer note 49)	216.38	125.03
Managerial remuneration	223.46	199.38
Contribution to provident and other funds	355.56	323.24
Gratuity	169.48	156.60
Workmen and staff welfare expenses	218.30	263.22
Total	**6547.98**	**6,458.35**

*Provident fund contribution ₹ 12.37 lakhs and gratuity ₹ 5.03 lakhs are included in managerial remuneration.

Defined Contribution Plans	Year ended March 31, 2023	Year ended March 31, 2022
During the year, the Company has recognized the following amounts in the statement of Profit and Loss:		
Employers' Contribution to Provident Fund*	329.17	295.44
Employers' Contribution to Employees' State Insurance *	26.08	27.49
Employers' Contribution to Labour welfare fund*	0.31	0.31
Total	**355.56**	**323.24**

* Included in Contribution to Provident and Other Funds

(All amounts in ₹ Lakhs, unless otherwise stated)

Defined Benefit Plan

Contribution to Gratuity

The Company provides for every employee who is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Risk exposure

These defined benefit plans expose the Company to actuarial risk such as longevity risks, interest rate risks, market (investment) risks.

Major Assumptions	**Year ended March 31, 2023 % p.a.**	**Year ended March 31, 2022 % p.a.**
Discount Rate	7.50	7.32
Salary Escalation Rate *	7.00	8.00
Rate of Employee Turnover:		
-Upto 30 years	4.00	4.00
-From 31 to 44 years	6.00	4.00
-Above 44 years	2.00	2.00
Mortality Rate During Employment	100% of IALM (2012-2014)	100% of IALM (2012-2014)

* The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Change in the Present Value of Obligation	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Opening Present Value of Obligation	846.88	878.65
Current Service Cost	112.52	95.89
Interest Cost	61.99	60.71
Total amount recognized in profit or loss	174.51	156.60
Remeasurement		
(Gain)/Loss from change in demographic assumptions and experience adjustments	(26.24)	18.85
(Gain)/Loss from change in financial assumptions	(88.93)	(38.94)
Total amount recognized in other comprehensive income	**(115.17)**	**(20.09)**
Benefit/ Exgratia paid	83.31	168.28
Closing Present Value of Obligation	**822.91**	**846.88**

Amount recognized in the Balance sheet	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Present value of Obligation	822.91	846.88
Funded Status [(Surplus/ (Deficit)]	(822.91)	(846.88)
Expense recognized in Statement of Profit and Loss	174.51	156.60
Expense recognized in Other comprehensive income	115.17	20.09
Net (liability)/ Asset Recognized in the Balance Sheet	**(822.91)**	**(846.88)**

Expenses Recognized in Profit and Loss	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Current Service Cost	112.52	95.89
Interest Cost	61.99	60.71
Expenses recognized in the of profit or loss*	**174.51**	**156.60**

* Included in Employee Benefits Expense

NOTES

to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Expenses recognized in Other Comprehensive Income	Year ended March 31, 2023	Year ended March 31, 2022
Re-measurement (Refer Note b above)		
Actuarial (Gains)/Losses on Obligation For the year	(115.17)	(20.08)
Net (Income)/Expenses for the Period Recognized in OCI	**(115.17)**	**(20.08)**

Sensitivity Analysis	Year ended March 31, 2023	Year ended March 31, 2022
Projected Benefit Obligation on Current Assumptions	822.91	846.88
Delta Effect of		
+0.5% Change in Rate of Discounting	(42.86)	(41.10)
-0.5% Change in Rate of Discounting	32.60	46.32
+0.5% Change in Rate of Salary	32.60	45.80
-0.5% Change in Rate of Salary	(31.31)	(41.03)
+0.5% Change in Rate of Employee Turnover*	1.16	1.12
-0.5% Change in Rate of Employee Turnover*	(1.23)	(1.49)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Defined benefit liability and employer contributions

The Company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

The weighted average duration of the defined benefit obligation is 16.37 years (2022 -15.21 years). The expected maturity analysis of undiscounted gratuity is as follows:

	Less than a year	More than one year
As at March 31, 2023		
Defined benefit obligation (gratuity)	80.64	742.27
As at March 31, 2022		
Defined benefit obligation (gratuity)	40.05	806.83

Maturity Profile of Defined Benefit Obligation

Year	Amount
2023 - 2024	183.90
2024 - 2025	100.15
2025 - 2026	91.98
2026 - 2027	113.89
2027 -2028	100.61

Other employee benefit

The liability for compensated absences as at year end is ₹ 256.17 Lakhs (March 31, 2022: ₹ 385.75 Lakhs)

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 34: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (Refer Note 3a)	4,980.52	4,629.83
Depreciation of right-of-use assets (Refer Note 3b)	658.86	404.24
Amortization of intangible assets (Refer Note 4)	12.49	21.76
Total	**5,651.87**	**5,055.83**

NOTE 35: OTHER EXPENSES

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	3,606.65	3,410.92
Packing materials	4,488.71	4,473.58
Dyes and chemicals	4,219.33	4,223.21
Power, fuel and water	10,374.64	8,973.27
Contract labour charges	4,433.65	4,613.09
Repairs and maintenance:		
-Buildings	162.85	144.37
-Property, plant and equipment	581.84	524.46
-Others	244.30	242.28
Rent	18.00	13.06
Rates and taxes	45.93	39.38
Insurance	328.27	268.69
Directors sitting fees	14.49	15.24
Printing and stationery	33.50	32.45
Travelling and conveyance expenses	479.08	213.62
Legal and professional charges	825.89	785.11
Payment to auditors [Refer Note (a) below]	32.80	24.83
Communication charges	38.69	35.69
Vehicle expenses	63.18	41.73
Loss on sale/discarding of property, plant and equipment (net)	110.65	234.59
Freight and forwarding expenses	9,164.23	10,112.03
Brokerage and commission	2,004.68	1,856.67
Donations	5.11	1.52
Corporate social responsibility expenditure (Refer Note:52)	72.41	25.45
Miscellaneous expenses	1,149.28	816.05
Total	**42,498.16**	**41,121.29**
Note (a) Payment to auditors for:		
As auditor:		
-Audit fees	29.00	21.75
-Tax audit	2.25	1.75
In other capacities:		
-Certifications	1.15	1.30
-Reimbursement of expenses	0.40	0.03
Total	**32.80**	**24.83**

NOTES

to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 36: FINANCE COSTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest and finance charges on lease liabilities and financial liabilities		
- Long term borrowings	1,765.07	1,715.30
- Short term borrowings	513.34	204.98
- Others	252.03	511.55
Bank and other financial charges	1,068.97	1,162.06
Total	**3,599.41**	**3,593.89**

Note: Total borrowing costs is ₹ 3,640.24 (March 31, 2022 : ₹ 3633.01 lakhs) out of which, ₹ 40.83 lakhs (March 31, 2022 : ₹ 39.12 lakhs) allocated to fixed assets / capital work in progress.

NOTE 37: INCOME TAX EXPENSE

a) This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

i) Income tax related to items recognised directly in profit or loss of the Statement of Profit and Loss

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax		
Current tax on profits for the year	435.59	1,403.55
(A)	**435.59**	**1,403.55**
Deferred tax		
Decrease/(increase) in deferred tax assets#	339.16	911.47
(Decrease)/increase in deferred tax liabilities	(427.92)	560.31
(B)	**(88.76)**	**1,471.78**
Income tax expense charged to profit or loss (C) = (A) + (B)	**346.83**	**2,875.33**

ii) Deferred tax related to items recognized in other comprehensive income (OCI)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax on remeasurement gains/(losses) on defined benefit plan	40.25	7.02
Deferred tax credited to other comprehensive income	**40.25**	**7.02**

b) The reconciliation of estimated income tax expense at the Indian statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before income tax	1063.57	7,956.75
Tax at the Indian tax rate of 34.94% (March 31, 2022: 34.94%)	371.65	2,780.41
Expected tax expense at the enacted tax rate in India		
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
1) Non-deductible expenses		
Donations and CSR Expenditure	27.09	9.43
Other items	4.49	26.70
2) Tax benefit items		
Other items	(7.81)	(4.15)
3) Adjustment in deferred tax relating to prior year	-	(5.75)
4) Re-measurement of Deferred tax assets / Deferred tax liabilities	(48.59)	68.69
Income tax expense charged to the statement of profit and loss	**346.83**	**2,875.33**

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 38: FAIR VALUE MEASUREMENTS

Financial instruments by category:

		As at March 31, 2023		As at March 31, 2022	
Financial assets	**Note**	**Amortised cost**	**FVTPL**	**Amortised cost**	**FVTPL**
Trade receivables	12	10,404.75		11,191.19	-
Margin money deposits with banks	14	1,312.21	-	1,688.72	-
Cash and cash equivalents	13	908.04	-	385.07	-
Bank balances other than cash and cash equivalents above	7, 14	106.36	-	28.54	-
Security deposits	7, 16	227.56	-	200.45	-
Loans	6, 15	109.19	-	115.00	-
Investment in Subsidiary	5	-	1.00	-	-
Interest accrued on fixed deposits	16	19.35	-	31.20	-
Total financial assets		**13,087.46**	**1.00**	**13,640.17**	**-**

		As at March 31, 2023		As at March 31, 2022	
Financial liabilities	**Note**	**Amortised cost**	**FVTPL**	**Amortised cost**	**FVTPL**
Borrowings	19, 23	26,800.33	-	27,322.66	-
Trade payables	24	19,251.57	-	18,193.99	-
Payable for capital goods	20, 25	906.60	-	1,427.72	-
Interest accrued but not due on borrowings	25	116.20	-	82.74	-
Security deposits received	25	166.20	-	131.94	-
Lease liabilities	3(b)	774.02	-	1,645.76	-
Unclaimed dividend	25	-	-	0.36	-
Total financial liabilities		**48,014.92**	**-**	**48,805.17**	**-**

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV), NAV represents the price at which, the issuer will issue further units and will redeem such units of mutual funds to and from the investors.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the Company include foreign exchange forward contracts.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

NOTES
to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

There are no internal transfers of financial assets and financial libilities between Level 1, Level 2, Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of the reporting period.

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	As at March 31, 2023			As at March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Margin money deposits with banks	-	-	1,312.21	-	-	1,688.72
Security deposits	-	-	227.56	-	-	200.45
Loans	-	-	109.19	-	-	115.00
Interest accrued on fixed deposits	-	-	19.35	-	-	31.20
Financial liabilities						
Borrowings	-	-	26,800.33	-	-	27,322.66
Interest accrued but not due on borrowings	-	-	116.20	-	-	82.74
Security Deposits received	-	-	166.20	-	-	131.94

Financial assets and liabilities measured at amortised cost	As at March 31, 2023		As at March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Security deposits	227.56	245.34	200.45	232.55

The carrying amounts of trade receivables, cash and cash equivalents, fixed deposit having maturity period upto 12 months and its interest accrued, export benefits receivable, current loans, current borrowings, trade payables and other financial liabilities are considered to be approximately same as their value, due to the short -term maturities of these financial assets/liabilities.

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Valuation techniques used to determine fair value:

Specific valuation techniques used to value financial instruments include:

• the use of quoted market prices or dealer quotes for similar instruments.

• the fair value of foreign exchange forward contracts is determined using forward exchange rates at the balance sheet date.

• the fair value of the remaining financial instruments is determined using discounted cash flow analysis

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 39 : CAPITAL MANAGEMENT

Risk management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company determines the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and other long term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

For the purpose of the Company's capital management, equity includes paid up capital, securities premium and other reserves. Net debt are long term and short term interest bearing debt as reduced by cash and cash equivalents, other bank balances (including earmarked balances) and current investments. The Company's strategy is to maintain a gearing ratio within 2:1.

The capital composition is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Gross debt (inclusive of long term and short term borrowing)	27,574.35	28,968.42
Less: - Cash and bank balances	908.04	385.07
Net debt	**26,666.31**	**28,583.35**
Total equity	**42,025.35**	**40,997.34**
Total capital	**68,691.66**	**69,580.69**
Net debt to equity ratio	**0.63**	**0.62**

Loan covenants

Bank loan agreements contain certain debt covenants relang to limitation on indebtedness, debt-equity ratio, debt service coverage ratio and fixed assets coverage ratio.

The lower than mandated debt service coverage ratio has no implications on the cash flows as the Company complies with and satisfies all other conditions in the respective sanction of the banks.

NOTE 40 : FINANCIAL RISK MANAGEMENT

The Company's activities are exposed to market risk, liquidity risk and credit risk which may adversely impact the fair value of its financial instruments. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian Rupee (`)	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk – security prices	Investments in Bonds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Company's treasury team identifies, evaluates and hedges financial risks in close cooperation with the Company's respective department heads. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments, non derivative financial instruments and investment of excess liquidity.

NOTES
to the Standalone Financial Statements for the Year ended March 31, 2023
(All amounts in ₹ Lakhs, unless otherwise stated)

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, investments in mutual funds, foreign exhange transactions and other financial instruments. The credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. To manage this, the Company periodically assesses the financial reliability of counter party, taking into account the financial condition, current economic trends, analysing the risk profile of the counter party and the analysis of historical bad debts and ageing of accounts receivable etc. Individual risk limits are set accordingly.The Company determines default by considering the business environment in which the Company operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

iv) Significant increase in credit risk on other financial instruments of the same counterparty;

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.None of the financial instruments of the Company result in material concentration of credit risk. The carrying value of financial assets represent the maximum credit risk. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company.

i) Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. Credit risk is managed through credit approvals, establishing credit limits, payment track record, monitoring financial position of the customer and other relevant factors. Outstanding customer receivables are regularly monitored and reviewed.

The Company evaluates the concentration of risk with respect to trade receivables as limited, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The exposure to customers is diversified and no substantial concentration of risk as no single customer contributes more than 10% of revenue and of the outstanding receivables. Sales made in domestic market predominantly are through agents appointed by the Company, the agents being del credere agents most of the credit risk emanating thereto is borne by agents and the Company’s exposure to risk is limited to sales made to customers directly. In case of direct sale, the Company has a policy of dealing only with credit worthy counter parties. The credit risk related to such sales are mitigated by taking advance, security deposit, letter of credit, setting and monitoring internal limits on exposure to individual customers as and where considered necessary. An impairment analysis which includes assessment for indicators of impairment is performed at each reporting date on an individual basis for all major customers and provision for impairment taken. The allowance reduces the net carrying amount.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics. The expected loss rates for trade receivables has been computed based on reasonable approximation of the loss rates and paste trend of outstanding debtors.

(All amounts in ₹ Lakhs, unless otherwise stated)

A. Trade receivables

Loss allowance as at 31 March 2023 and 31 March 2022 was determined as follows for trade receivables and contract assets under the simplified approach:

As at 31 March 2023	Not Due	0 - 30 days	31 - 60 Days	61 - 90 Days	91 - 180 Days	181-360 Days	Over 360 Days	Total
Gross carrying amount	7,966.32	1,843.80	182.38	106.20	291.84	55.34	21.40	**10,467.28**
Expected loss rate	0.00%	0.30%	1.23%	3.24%	4.29%	31.25%	100.00%	**-**
Expected credit losses	-	5.62	2.24	3.44	12.53	17.30	21.40	**62.53**
Carrying amount (net of impairment)	7,966.32	1,838.18	180.14	102.76	279.31	38.04	-	**10,404.75**

As at 31 March 2022	Not Due	0 - 30 days	31 - 60 Days	61 - 90 Days	91 - 180 Days	181-360 Days	Over 360 Days	Total
Gross carrying amount	7,281.69	3,057.40	674.09	173.63	41.52	13.05	115.78	11,357.16
Expected loss rate	0.00%	0.64%	1.97%	4.50%	6.44%	58.14%	99.35%	-
Expected credit losses	-	19.61	13.24	7.82	2.67	7.59	115.03	165.97
Carrying amount (net of impairment)	7,281.69	3,037.79	660.85	165.81	38.85	5.46	0.75	11,191.19

Reconciliation of loss allowance provision of trade receivables :

Particulars	As at March 31, 2023	As at March 31, 2022
Loss allowance - opening	165.97	161.39
Increase in loss allowance recognised in profit or loss during the year	-	5.48
Receivables written off during the year as uncollectible	31.87	0.90
Unused amount reversed	71.57	-
Loss allowance - closing	**62.53**	**165.97**

ii) Financial Instruments and Cash Deposits

The Company maintains exposure in Cash and Cash equivalents, term deposits with banks and investments in mutual funds, the same is done after considering factors such as track record, size of the institution, market reputation and service standards. Generally, the balances are maintained with the institutions from whom the Company has also availed borrowings. Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit risk and concentration of exposure are actively monitored by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

iii) The ageing analysis of the trade receivables (other than due from related parties) has been considered from the date the Invoice falls due.

Particulars	As at March 31, 2023	As at March 31, 2022
Not due	7,756.33	7,107.96
Up to 6 months	2,424.22	3,946.64
More than 6 months	76.74	128.83
Total	**10,257.29**	**11,183.43**

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B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations, by delivering cash or other financial assets, on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade and other payables, derivative instruments and other financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate cash and drawable reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.The Company regularly monitors liquidity position through rolling forecast based on estimated free cash flow generated from business. The Company invests its surplus funds in bank fixed deposits and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Floating rate		
- Expiring within one year (Packing credit, cash credit, post shipment credit and term loans	7,443.99	2,606.97
- Expiring beyond one year (Term Loans)	-	764.00
Total	**7,443.99**	**3,370.97**

The working capital facilities may be drawn at any time and may be terminated by the bank without notice.

ii) Maturities of Financial liabiliities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non derivative financial liabilities, and

- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at March 31, 2023	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long term borrowings	5,772.19	15,162.37	-	20,934.56
Short term borrowings	5,865.77	-	-	5,865.77
Interest accrued and not due	116.20	-	-	116.20
Lease liabilities	602.84	171.18	-	774.02
Trade payables	19,251.57	-	-	19,251.57
Other financial liabilities	830.52	242.28	-	1,072.80
Total	**32,439.09**	**15,575.83**	**-**	**48,014.92**

As at March 31, 2022	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long term borrowings	4,297.31	14,668.41	-	18,965.72
Short term borrowings	8,356.94	-	-	8,356.94
Interest accrued and not due	82.74	-	-	82.74
Lease liabilities	698.79	946.97	-	1,645.76
Trade payables	18,193.99	-	-	18,193.99
Other financial liabilities	1,057.05	502.96	-	1,560.01
Total	**32,686.82**	**16,118.34**	-	**48,805.16**

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity or commodity prices will affect the Company's income/cash flows or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of postemployment benefit obligations provisions and on the non-financial assets and liabilities. Financial instruments affected by market risk include receivables, loans and borrowings, advances, deposits, investments and derivative financial instruments. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

The Company's activities expose it to risks on account of changes in foreign currency exchange rates and interest rates.

The Company uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract as a risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

Foreign currency risk

Currency risk is the risk that the fair value of a financial instrument or future cash flows fluctuate because of changes in market price of the functional currency. The Company is exposed to foreign exchange risk on their receivables, payables and foreign currency loans which are mainly held in the United State Dollar ("USD"), the Euro ("EUR"), British Pound ('GBP'), the Swiss Franc ("CHF") and Japanese Yen ("JPY"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("I") relative to the USD, the EUR, the CHF, and the CNY may change in a manner that has a material effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policy wherein exposure is identified, a benchmark is set and monitored closely for suitable hedges, including minimising cross currency transactions, using natural hedge and the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

The Company's exposure to foreign currency risk at the end of the reporting period are as under -

	As at March 31, 2023 Foreign Currency exposure in						As at March 31, 2022 Foreign Currency exposure in					
	USD	EUR	GBP	JYP	AUD	CHF	USD	EUR	GBP	JYP	AUD	CHF
Financial assets												
- Trade receivables	5919.64	906.50	185.18	-	-	-	9,475.22	325.64	168.60	-	-	-
- Advance to Suppliers	578.20	17.18	-	47.18	-	-	361.30	39.69	-	0.78	-	-
- Capital advances	152.62	123.30	-	-	-	1.78	142.60	34.11	3.88	-	-	-
- Cash and Cash equivalents	107.46	-	-	-	-	-	55.67	-	-	-	-	-
- Other financial assets	44.22	55.33	-	-	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk (Assets)	**6,802.14**	**1,102.31**	**185.18**	**47.18**	**-**	**1.78**	**10,034.79**	**399.44**	**172.48**	**0.78**	**-**	**-**
Financial liabilities												
- Buyers credit from banks	305.26	-	-	-	-	-	5,942.88	-	-	-	-	-
- Trade payables	5,233.49	130.49	10.03	-	16.73	-	3,873.36	54.77	31.35	-	17.25	-
- Creditors for Capital Purchases	-	491.67	-	-	-	-	-	704.48	-	-	-	7.43
- Advance from Customers	378.43	24.55	-	-	-	-	352.40	3.93	-	-	-	-
Net exposure to foreign currency risk Liabilities)	**5,917.18**	**646.71**	**10.03**	**-**	**16.73**	**-**	**10,168.64**	**763.18**	**31.35**	**-**	**17.25**	**7.43**
Net open exposure	**884.96**	**455.60**	**175.15**	**-**	**(16.73)**	**-**	**(133.85)**	**(363.74)**	**141.13**	**0.78**	**(17.25)**	**(7.43)**

* The net open exposure as at March 31, 2023 excludes export stock in transit of ₹ 1,013.98 lakhs.

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Sensitivity to foreign currency risk

The following table demonstrates the foreign exchange sensitivity by assuming rates shift in the USD, EUR, CHF, CNY and other currencies with all other variables held constant. The impact below on the Company's profit/equity before considering tax impact is due to changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Currencies / Sensitivity	As at March 31, 2023		As at March 31, 2022	
	Increase by 5%	Decrease by 5%	Increase by 4%	Decrease by 4%
	Gain / Loss		Loss / Gain	
USD	44.25	(44.25)	(6.69)	6.69
EUR	22.78	(22.78)	(18.19)	18.19
GBP	8.76	(8.76)	7.06	(7.06)
JPY	2.36	(2.36)	0.04	(0.04)
AUD	(0.84)	0.84	(0.86)	0.86
CHF	0.09	(0.09)	(0.37)	0.37

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks. Appreciation and depreciation of USD with respect to the functional currency would result in increase and decrease in carrying value of property, plant and equipment by approximately ₹ Nil as at March 31, 2023 (Previous year: ₹ 9.06 lakhs)

II Interest rate risk

This refers to risk to the fair value or future cash flows of a financial instrument on account of movement in market interest rates.

For the Company, the interest risk arises mainly from debt obligations with floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of hedged products and optimise borrowing mix / composition.

III Cash flow and fair value interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like vendor bill discounting, suppliers' and buyers' credit. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. As the Company does not have exposure to any floating interest bearing assets, its interest income and related cash flows are not affected by changes in the market interest rates.

a) Interest rate risk exposure:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	24,095.07	20,179.78
Fixed rate borrowings	2,705.26	7,142.88
Total borrowings	**26,800.33**	**27,322.66**

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

Particulars	As at March 31, 2023			As at March 31, 2022		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Borrowings - Term Loan	9.21%	24,095.07	90%	8.72%	20,179.78	74%
Net exposure to cash flow interest rate risk		**24,095.07**			**20,179.78**	

(All amounts in ₹ Lakhs, unless otherwise stated)

b) Interest rate Sensitivity

The following table illustrates the sensitivity of profit and equity before considering tax impact to a reasonably possible change in interest rate of 50 basis point increase or decrease. The calculations are based on the risk exposures outstanding at the balance sheet date.

Particulars	Impact on Profit	
	As at March 31, 2023	As at March 31, 2022
Interest rates - increase by 50basis points*	(120.48)	(88.83)
Interest rates - decrease by 50basis points*	120.48	88.83

*Holding all other variables constant including change in interest subsidy

NOTE 41: CONTINGENT LIABILITY DISCLOSURE

Particulars	As at March 31, 2023	As at March 31, 2023
Excise, Customs and Service Tax Matters	1,100.21	1,091.04
Income Tax Matters	6.32	6.32
Claims against Company not acknowledged as debts	488.27	488.27

The Hon'ble Supreme Court of India, through a ruling in February 2019, provided interpretation on the components of Salary on which the Company and its employees are to contribute towards Provident Fund under the Employee's Provident Fund Act. Based on the current evaluation, the Company believes it is not probable that certain components of Salary paid by the Company will be subject to contribution towards Provident Fund due to the Supreme Court order. The Company will continue to monitor and evaluate its position based on future events and developments.

Notes:

(a) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Company does not expect any reimbursements in respect of the above contingent liabilities.

Description of contingent liabilities:

Excise, Customs and Service Tax Matters

The Company has ongoing disputes with tax authorities mainly relating to availment of input tax credit on certain items and classfication of finished goods.

Income Tax Matters

The Company has ongoing disputes with Income tax authorities relating to tax treatment of certain items. These mainly includes disallowed expenses, claimed by the Company as deductions.

Claims against Company not Acknowledged as Debts

Represent claims disputed by the Company wherein the Company has filed application for dismissal of the matters.

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NOTE 42: CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital Commitments		
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	1,576.79	2,176.10
(b) Other Commitments		
Custom duty on pending export obligation for import under Advance License and EPCG scheme	475.79	516.15

NOTE 43: EARNINGS PER SHARE

Particulars	Year ended As at March 31, 2023	Year ended As at March 31, 2022
Profit after tax (A) (1 in lakhs)	716.74	5,081.42
Weighted average number of equity shares outstanding during the year (B)	50,268,022.90	50,110,186
Weighted average number of equity shares for basic earning per share	50,268,022.90	50,110,186
Adjustements for dilluted earning per share - options	501,853.00	678,303
Weighted average number of equity shares for diluted earning per share (C)	50,769,875.90	50,788,489
Basic earnings per share (A)/(B)	1.43	10.14
Diluted earnings per share (A)/(C)	1.41	10.01
Nominal value of an equity share (1)	10.00	10.00

NOTE 44: DISCLOSURE FOR MICRO, MEDIUM AND SMALL ENTERPRISES

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,488.68	1,760.52
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	101.73	144.31
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	7,374.47	7,416.43
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	48.04	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	101.73	144.31

NOTE 45: DISCLOSURE PURSUANT TO THE REGULATION 34(3) READ WITH PARA A OF SCHEDULE V OF SEBI LISTING REGULATIONS, 2015

There are no loans and advances, in the nature of loans to firms/ companies in which directors are interested outstanding during the year ended March 31, 2023 and March 31, 2022.

NOTE 46: RESEARCH AND DEVELOPMENT EXPENDITURE

Details of Research and Development expenses incurred during the year, debited to the Statement of Profit and Loss account are ₹ 1001.81 Lakhs (March 31, 2022: ₹ 1,255.64 Lakhs), which includes materials cost, power cost, employee cost.

Details of Capital Expenditure incurred during the year for Research and Development is given below:

Particulars	Year ended As at March 31, 2023	Year ended As at March 31, 2022
Plant and Machinery	-	23.86
Total	**-**	**23.86**

NOTE 47: OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

There are no financial assets or financial liabilities which are subject to offsetting as at March 31, 2023 and March 31, 2022, since the Company neither has enforceable right or an intent to settle on net basis or to realise the asset and settle the liability simultaneously. Further, the Company has no enforceable master netting arrangements and other similar arrangements as at March 31, 2023 and March 31, 2022.

NOTE 48: RELATED PARTY DISCLOSURES

(i) Relationships

Holding Company	Mandawewala Enterprises Limited
Subsidiary	AYM Textiles Private Limited
Key Management Personnel	Mr. Abhishek Mandawewala (Managing Director & CEO) Mrs. Khushboo Mandawewala (Whole Time Director) Mr. Himanshu Dhaddha (Chief Financial Officer)
Independent Directors	Mr. Atul Desai Mr. K H Vishwanathan Mr. Mohan Tandon
Other Related Parties	Mertz Estates Limited RRM Enterprises Private Limited Welspun Global Brands Limited Welspun Flooring Limited Welspun India Limited

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(All amounts in ₹ Lakhs, unless otherwise stated)

(ii) Terms and conditions

- All transactions were made on normal commercial terms and conditions and at market rates.
- All outstanding balances are unsecured and repayable in cash.

Particulars	Holding Company	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year						Key Management Personal	Independent Directors
	Mandawewala Enterprises Limited	AYM Textiles Private Limited	Mertz Estates Limited	RRM Enterprises Private Limited	Welspun India Limited	Welspun Flooring Limited	Welspun Global Brands Limited		
Transactions during the year Intercorporate deposits received				1,200.00					
				(1200.00) **					
Cross charge	14.31								
	(35.61)								
Interest expense	-			205.35					
	(81.37)			(26.63)					
Investment in equity share		1.00							
		-							
Short term employee benefit								313.96	
								(292.82)	
Stock Options								31.20	
								(7.49)	
Loan advanced								-	
								(60.00)	
Loan repaid								11.00	
								-	
Director sitting fees									14.49
									(15.24)
Purchase of goods/services/ expenses incurred	3.13		221.25		45.51	55.26	3,579.92		
	(3.36)		(355.72)		(117.22)	-	(8,308.63)		
Sale of goods					452.84	1,914.64			
					(4,031.28)	(2,013.85)			
Closing balance									
Intercorporate deposits				2,400.00					
				(1,200.00)					
Interest accrued				47.93					
				-					
Loan advanced/repaid								49.00	
								(60.00)	
Investment in Equity Share		1.00							
		-							
Debtors					28.12	181.87			
					(6.04)	(167.70)			
Creditors						123.73	115.94		
						-	(231.88)		

Year 2021-22 figures are given in round brackets ( ).

* All amount is inclusive of taxes

** Intercorporate deposits transferred from Mandawewala Enterprises Limited to RRM Enterprises Private Limited as per scheme of demerger, dated September,13 2021.

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 49: Segment information

i) Information about Primary Business Segment Identification of Segments:

The Company is engaged in the business of Synthetic Yarn which in the context of Ind AS 108 on Segment Reporting are considered to constitute single primary business segment.

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about profit or loss in the financial statements, Operating segment have been identified on the basis of Geographical segment and other quantitative criteria specified in the Ind AS 108.

(i) Segment revenue :

The segment revenue is measured in the same way as in the statement of profit or loss.

Segment Revenue	2023			2022		
	India	Outside India	Total	India	Outside India	Total
Total segmental revenue*	**78,058.44**	**67,719.78**	**145,778.22**	**82,988.20**	**66,157.75**	**149,145.95**

*excluding other income

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from outside India	Year ended As at March 31, 2023	Year ended As at March 31, 2022
U.S.A	25,144.24	24,626.79
Australia and New Zealand	16,713.41	15,486.27
European Union	10,988.07	10,685.13
U.K.	1,804.05	2,690.78
Others	13,070.01	12,668.79
Total	**67,719.78**	**66,157.76**

(ii) Segment assets :

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Segment Assets	As at March 31, 2023			As at March 31, 2022		
	India	Outside India	Total	India	Outside India	Total
Carrying amount of segment assets	73,535.09	9,045.11	82,580.20	72,445.09	8,618.57	81,063.66
Additions to non-current assets#	65,48.09	-	6,548.09	7,659.90		7,659.90
Total segment assets	**80,083.18**	**9,045.11**	**89,128.36**	**80,104.99**	**8,618.57**	**88,723.56**
Unallocated:						
Right-of-use assets	-	-	730.88	-	-	1,637.27
Deferred tax assets (net)	-	-	1,995.82	-	-	2,195.55
Income tax assets (net)	-	-	180.37	-	-	108.64
Balancesheet Assets			**92,036.36**			**92,665.02**

Additions to non-current assets also includes expenditure incurred on capital work-in-progress.

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(All amounts in ₹ Lakhs, unless otherwise stated)

(iii) Segment liabilities :

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment and the physical location of the liability.

Segment Liabilities	As at March 31, 2023			As at March 31, 2022		
	India	Outside India	Total	India	Outside India	Total
Carrying amount of segment liabilities	16,147.94	6,285.40	22,433.34	15,002.74	5,044.97	20,047.71
Total segment liabilities	**16,147.94**	**6,285.40**	**22,433.34**	**15,002.74**	**5,044.97**	**20,047.71**
Unallocated:						-
Borrowings	-	-	26,800.33	-	-	29,392.60
Lease liabilities	-	-	774.02	-	-	1,645.76
Income Tax Liabilities (net)	-	-	3.32	-	-	581.61
Balancesheet Liabilities			**50,011.01**			**51,667.68**

Additions to non-current liabilities also includes external commercial borrowings (ECB).

NOTE 50: EMPLOYEE STOCK OPTION PLAN DISCLOSURE FOR IND AS

The Company has formulated employee share-based payment schemes with objective to attract and retain talent and align the interest of employees with the Company as well as to incentivize and motivate them to contribute to its growth and profitability. At present two share-based payment schemes are in existence.

1) AYM Employee Stock Option (AYMSOP 2018) was approved by shareholders at Extra Ordinary general meeting in 2018.
2) AYM Employee Stock Option Scheme 2021 (AYM ESOP SCHEME 2021) was approved by the shareholders through postal ballot on March 05, 2021.

Details of these employee share-based schemes are given below:

Persons covered under this scheme include all permanent employees working in India or out of India, whole time and other directors.

The schemes however exclude employee outside india who is an employee of a subsidiary, holding or associate of the Company,promoters or person belonging to the Promoter group, promoter director, director holding directly or indirectly more than 10% of the outstanding share of the Company.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options shall not be less than face value of equity share and shall not exceed market price of the equity share of the Company as on the date of grant of Option.

AYM Employee Stock Option (AYMSOP 2018)

The Grant date is August 13, 2018

Vesting Proportion	Date of vesting
10% of the options granted	13-Aug-19
10% of the options granted	13-Aug-20
20% of the options granted	13-Aug-21
20% of the options granted	13-Aug-22
40% of the options granted	13-Aug-23

Set out below is a summary of options granted under the plan

	As at March 31, 2023		As at March 31, 2022	
	Average exercise price per share option (`)	Number of Option	Average exercise price per share option (`)	Number of Option
Opening balance	10	315,600	10	473,280
Granted during the year	-	-	-	-
Exercised during the year	10	102,680	10	118,320
Cancelled during the year	10	7,560	10	39,360
Closing balance		**205,360**	**-**	**315,600**

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2023 was ₹ 86.53 per share.

Weighted average remaining contractual life of options outstanding at end of period	1.37 years	1.87 years

(All amounts in ₹ Lakhs, unless otherwise stated)

No option expired during the periods covered in the above tables.

The fair value at grant date of options granted was ₹ 41.20

The fair value at grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model input for the option granted during the year ended March 31, 2023 included:

a) options are granted for no consideration and vest upon completion of minimum employment of one year from the date of grant. Vesting options will be subject to continued employment with the company. Vested options are exercisable for a period of one year after vesting.

b) Exercise price: ₹ 10

c) Grant date: August 13, 2018

d) Expiry date: August 13, 2024

e) Share price at the grant date: ₹ 41.2

f) Expected price volatility of the Company's shares: 41.22%

g) Expected dividend yield: 0.00%

h) Risk free interest rate: 7.61%

The expected price volatility is based on historic volatility (Based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

AYM ESOP SCHEME 2021 Grant -1

The Grant date is April 24, 2021

Vesting Proportion	Date of vesting
10% of the options granted	24-Apr-22
10% of the options granted	24-Apr-23
20% of the options granted	24-Apr-24
20% of the options granted	24-Apr-25
40% of the options granted	24-Apr-26

Once vested, the option remains excercisable for a period of one year and expire thereafter.

The fair value at grant date of options granted was ₹ 43.50

Set out below is a summary of options granted under the plan

	As at March 31, 2023		As at March 31, 2022	
	Average exercise price per share option (₹)	Number of Option	Average exercise price per share option (₹)	Number of Option
Opening balance	10	600,000	-	
Granted during the year	-	-	-	600,000
Exercised during the year	10	60,000	-	-
Cancelled during the year	-	-	-	-
Closing balance	**-**	**540,000**	**-**	**600,000**

No option expired during the periods covered in the above table.

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2023 was ₹ 133.38 per share.

Weighted average remaining contractual life of options outstanding at end of period	3.07 years	3.77 years

The fair value at grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

NOTES

to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

The model input for the option granted during the year ended March 31, 2022 included:

a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of one year after vesting.

b) Exercise price: ₹ 10

c) Grant date: April 24, 2021

d) Expiry date: April 24, 2027

e) Share price at the grant date: ₹ 43.50

f) Expected price volatility of the Company's shares: 64.09%

g) Expected dividend yeild: 0.00%

h) Risk free interest rate: 4.15%

The expected price volatility is based on historic volatility (Based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

AYM ESOP SCHEME 2021 Grant -2

The Grant date is January 29, 2022

Vesting Proportion	Date of vesting
10% of the options granted	29-Jan-23
10% of the options granted	29-Jan-24
10% of the options granted	28-Jan-25
15% of the options granted	28-Jan-26
15% of the options granted	28-Jan-27
40% of the options granted	28-Jan-28

Set out below is a summary of options granted under the plan

	As at March 31, 2023		As at March 31, 2022	
	Average exercise price per share option (₹)	Number of Option	Average exercise price per share option (₹)	Number of Option
Opening balance	10	390,000	-	
Granted during the year	-	-	-	390,000
Exercised during the year	10	37,000	-	-
Cancelled during the year	10	20,000	-	-
Closing balance	**-**	**333,000**	**-**	**390,000**

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2023 was ₹ 62.17 per share.

Weighted average remaining contractual life of options outstanding at end of period	3.56 years	4.33 years

No option expired during the periods covered in the above table.

The fair value at grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model input for the option granted during the year ended March 31, 2022 included:

a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of one year after vesting.

b) Exercise price: ₹ 10

c) Grant date: January 29, 2022

d) Expiry date: January 27, 2029

e) Share price at the grant date: ₹ 136.95

f) Expected price volatility of the Company's shares: 53.48%

g) Expected dividend yeild: 0.00%

h) Risk free interest rate: 4.45%

The expected price volatility is based on historic volatility (Based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

(All amounts in ₹ Lakhs, unless otherwise stated)

Expenses arising from share-based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expenses were as follow:

	31-Mar-23	31-Mar-22
Employee-share based expense	216.38	125.03

NOTE 51: (A) ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) No proceedings have been initiated on or are pending against the company as at March 31, 2023 for holding benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) The company has borrowings from banks on the basis of security of current assets. The quarterly returns filed by the Company with banks are in agreement with the books of accounts.

(iii) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) 1. The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

2. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vi) There is no income surrendered or transaction disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(viii) The borrowings obtained by the company from banks have been applied for the purposes for which such loans were was taken.

(B) FINANCIAL RATIOS

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% Variance	Reason for variance
Current Ratio	Current assets	Current liabilities	1.22	1.21	1%	-
Debt-Equity Ratio	Total debt	Total equity	0.66	0.71	-7%	-
Debt Service Coverage Ratio	Earning for debt	Debt service	1.25	2.12	-41%	Lower earnings
Return on Equity Ratio	Net profit after tax	Average shareholders equity.	0.02	0.13	-87%	Lower profit after Tax
Inventory turnover ratio	COGS	Average inventory	4.50	4.93	-9%	-
Trade Receivables turnover ratio	Credit sales	Average trade receivable	13.27	13.81	-4%	-
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	5.92	5.49	8%	-
Net capital turnover ratio	Credit sales	working capital	19.51	20.06	-3%	-
Net profit ratio	Net profit after tax	Revenue from operations	0.49%	3.41%	-86%	Lower sales with dip in margin
Return on Capital employed	Earnings before interest and tax	capital employed	6.77%	16.91%	-60%	Lower earnings
Return on investment	Earnings before interest and tax	Closing total assets	5%	12%	-59%	Lower earnings

NOTES

to the Standalone Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 52: DISCLOSURES IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	As at March 31, 2023	As at March 31, 2022
Corporate social responsibility expenditure:		
Implementing and supporting education program	24.28	16.41
Provision of safe drinking water	34.87	6.40
Promotion of health care and welfare	19.90	18.23
	79.05	**41.04**
Amount Unspent, of Earlier Years as per Section 135 of the Act	15.59	-
Amount Required to be Spent During the Year, as per Section 135 of the Act	72.41	25.45
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	56.82	25.45
(iii) Excess spent, carried forward for next year	6.64	15.59
	63.46	**41.04**

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at 1 April 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2023
15.59	**72.41**	**63.46**	**6.64**

NOTE 53: EVENTS OCCURRING AFTER THE REPORTING DATE

No adjustments on account of events occurring after the reporting date have been identified to the figures reported.

Signatures to Notes to Financial Statements

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of AYM Syntex Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of AYM Syntex Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), (Refer note 1.1 (v) to the attached consolidated financial statements) which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated statement of changes in equity and its consolidated 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 consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph 14 of the Other Matters section below, 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of realisability of Minimum Alternate Tax ('MAT') credit entitlement of the Holding Company **(Refer note 8 of the consolidated financial statements)** The balance of Minimum Alternate Tax ('MAT') credit entitlement classified under Deferred Tax Assets (net) in the consolidated balance sheet as on March 31, 2023 is Rs. 5,825.92 Lakhs Entitlement of MAT credit is recognised to the extent there is convincing evidence that the Holding Company will be able to utilise the said credit against normal tax payable based on the Holding Company's projected taxable profits in the forthcoming years. We considered the realisability of MAT credit entitlement to be a key audit matter as the amount is material to the consolidated 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 projected taxable profits	**To evaluate the realisability of MAT Credit entitlement, our procedures included the following:** • Understood and evaluated the design and tested the operating effectiveness of the Company's controls over preparation of forecasts. • Assessed 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. • Tested the mathematical accuracy of the underlying calculations and comparing the forecasts with the budgets approved by the Board of Directors. • Assessed the reasonableness of assumptions used in the preparation of forecasts with external and internal factors including business and industry growth rates, and Company's past performance. • Applied sensitivity to the forecasts to assess whether the MAT credit carried as an asset would be utilised within the permitted remaining period. Based on the above procedures, we did not noted any material exception to the Holding Company's judgement in preparation of forecasts of future taxable profits for the assessment of realisability of the MAT credit entitlement.

INDEPENDENT AUDITOR'S REPORT

Key audit matter	How our audit addressed the key audit matter
Assessment of indication of impairment and the recoverable amount (RA) of Net carrying value of assets of the Holding Company **(Refer note 2(f) of the consolidated financial statements)** The carrying amount of the Company's net assets exceeded the Company'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. 60,964.09 Lakhs as at March 31, 2023. Based on such indications, an impairment assessment was performed by the Holding Company's management in accordance with the requirements of Ind AS 36, 'Impairment of Assets'. Management calculated the value in use of the assets by applying the discounted cash flow method. This has been considered a key audit matter, because of the significance of the carrying value of the assets of the Holding Company and the estimation uncertainty in the assumptions used for calculating the recoverable amount of the net assets such as future sales, discount rate, cost of materials and growth rate over the estimation period.	**Our audit procedures related to testing impairment assessment of the carrying amount of net assets included the following:** • Understood and evaluated the design and tested the operating effectiveness of controls for identification and assessment of any potential impairment, including determining the recoverable amount of the net assets. • Assessed 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. • Used auditor's expert for testing appropriateness of the method and model used for determining the recoverable amount and evaluating reasonableness of key assumptions like discount rate, and terminal growth rate. • Evaluated reasonableness of other key assumptions used in future cash flow projections such as future sales, Cost of materials and growth rate over the estimation period. • Tested the mathematical accuracy of the models' calculation and comparing the forecasts with the budgets approved by the Board of Directors; • Performed sensitivity analysis over key assumptions to corroborate that recoverable amount is within a reasonable range. • Assessed the appropriateness of the related presentation and disclosures in the financial statements. Based on the above procedures performed, we did not note any material exception in the management assessment of the recoverable amount of the net carrying value of assets.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, management discussion & analysis and MD & CEO message, but does not include the consolidated financial statements and our auditor's report thereon.

   The Director's report was obtained prior to the date of this auditor's report. However, the management discussion & analysis and MD & CEO message is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the Director's report and, in doing so, consider whether the Director's report is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), 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.

   In connection with our audit of the consolidated financial statements, our responsibility is to also read the management discussion & analysis and MD & CEO message when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the management discussion & analysis and MD & CEO message, 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 Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

10. 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 consolidated 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.

- 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 Holding Company has adequate internal financial controls with reference to consolidated 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matters

14. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 0.76 lakhs and net assets of Rs. 0.46 lakhs as at March 31, 2023, total revenue of Rs. Nil, total comprehensive income (comprising of loss and other comprehensive income) of Rs. 0.54 lakhs and net cash flows amounting to Rs 0.76 lakhs for the period ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose report has been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that the auditors of the following company has given an adverse remark in their CARO report on the standalone financial statements of the respective companies included in the consolidated financial statements of the Holding Company, as reproduced below:

Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditors' report	Paragraph number and comment in the respective CARO report reproduced below
AYM Syntex Limited	L99999DN1983PLC000045	Holding Company	May 5, 2023	Refer comments below for paragraph no (i)(c)
AYM Textiles Private Limited	U17299MH2022PTC385451	Subsidiary Company	April 28, 2023	Paragraph no (xvii) The company has incurred cash losses of Rs. 0.54 lakhs for the period

Paragraph no (i)(c) to the Holding company's CARO report.

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
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

16. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group (Refer note 39 to the consolidated financial statements)

ii. The Group was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2023.

iii. During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.

iv (a) The respective Managements of the Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 49(a)(v) to the consolidated financial statements).

(b) The respective Managements of the Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary shall, 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 49(a)(v) to the consolidated financial statements).

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditor of the subsidiary incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company and its subsidiary company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, is applicable to the Group, only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

17. The Holding Company and its subsidiary 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

sd/-
Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 23102022BGTWMZ1995

Place: Mumbai
Date: May 05, 2023

CONSOLIDATED BALANCE SHEET
as at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		Note No.	As at March 31, 2023
ASSETS			
1.	**Non-Current Assets**		
(a)	Property, plant and equipment	3a	44,051.67
(b)	Right-of-use assets	3b	730.88
(c)	Capital work-in-progress	3a	3,096.46
(d)	Intangible assets	4	19.33
(e)	Financial assets		
	ii. Loans	5	56.58
	iii. Other financial assets	6	299.36
(f)	Income tax assets (net)	7	180.37
(g)	Deferred tax assets (net)	8	1,995.82
(h)	Other non-current assets	9	568.91
	Total Non-Current Assets		**50,999.38**
2.	**Current Assets**		
(a)	Inventories	10	19,940.26
(b)	Financial assets		
	i. Trade receivables	11	10,404.75
	ii. Cash and cash equivalents	12	908.80
	iii. Bank balances other than cash and cash equivalents above	13	1,312.21
	iv. Loans	14	52.61
	v. Other financial assets	15	153.46
(c)	Other Current Assets	16	8,264.65
	Total Current Assets		**41,036.74**
	Total Asset		**92,036.12**
EQUITY AND LIABILITIES			
Equity			
(a)	Equity share capital	17(a)	5,035.33
(b)	Other equity		
	Reserves and Surplus	17(b)	36,989.48
	Total Equity		**42,024.81**
1.	**Liabilities**		
Non-Current Liabilities			
(a)	Financial liabilities		
	i. Borrowings	18	15,162.37
	ii. Lease Liabilities	3(b)	171.18
	iii. Other financial liabilities	19	242.28
(b)	Employee benefit obligations	20	742.27
	Total non-current liabilities		**16,318.10**
2.	**Current liabilities**		
(a)	Financial liabilities		
	i. Borrowings	21	11,637.96
	ii. Lease Liabilities	3(b)	602.84
	ii. Trade payables	22	
	Dues to micro, small and medium enterprises		1,590.41
	Dues to creditors other than micro, small and medium enterprises		17,661.46
	iii. Other financial liabilities	23	946.72
(b)	Employee benefit obligations	24	535.32
(c)	Income tax liabilities	25	3.32
(d)	Other Current Liabilities	26	715.18
	Total Current Liabilities		**33,693.21**
	Total Liabilities		**50,011.31**
	Total Equity and Liabilities		**92,036.12**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.
This is the Consolidated Balance Sheet referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2023
INCOME		
Revenue from operations	27	145,778.22
Other income	28	786.85
Total income		**146,565.07**
EXPENSES		
Cost of materials consumed	29	87,396.79
Changes in inventories of finished goods and goods-in-process	30	(192.71)
Employee benefit expense	31	6,547.98
Depreciation and amortization expense	32	5,651.87
Other expenses	33	42,498.69
Finance costs	34	3,599.42
Total expenses		**145,502.04**
Profit Before Tax		**1,063.03**
Income Tax Expense	35	
Current tax		435.59
Deferred tax		(88.76)
Total Tax Expense		**346.83**
Profit for the year		**716.20**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Add : Remeasurements of post employment benefit obligations	31	115.17
Less : Income tax effect on above	35	40.25
Other comprehensive income for the year, net of tax		**74.92**
Total Comprehensive Income for the Year		**791.12**
Earnings per share	42	
Basic (₹)		1.42
Diluted (₹)		1.41

The above consolidated statement of Profit and Loss should be read in conjunction with the accompanying notes.
This is the consolidated statement of Profit and Loss referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
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DIN 00007179

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CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOW

for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES	
Profit before tax	1,063.03
Adjustments for:	
Depreciation and amortisation expense	5,651.87
Finance costs	3,599.41
Net unrealised foreign exchange (gain)/loss	(4.66)
Lease concessions	(7.10)
Share based expense	216.38
Loss on sale/discard of property, plant and equipment (Net)	110.65
Unwinding of discount on security deposits	(16.95)
Interest income	(59.53)
Operating profit before changes in operating assets and liabilities	**10,553.10**
Adjustments for changes in operating assets and liabilities:	
(Increase) / decrease in inventories	(1,111.62)
(Increase) / decrease in trade receivables	786.44
Increase / (decrease) in trade payables	1,062.36
Increase / (decrease) in other current financial liabilities	33.90
Increase / (decrease) in employee benefit obligations	(152.51)
Increase / (decrease) in other current liabilities	(20.01)
Increase / (decrease) in other non-current liabilities	(0.45)
(Increase) / decrease in Loans and other financial assets	(103.91)
(Increase) / decrease in other current and non-current financial assets	1601.85
Cash Generated from Operations	**12,649.15**
Income tax paid	(837.38)
Net cash generated from operating activities	**11,811.77**
CASH FLOW FROM INVESTING ACTIVITIES	
Payment for property, plant, equipment and intangible assets	(7,795.12)
Proceeds from sale of property, plant and equipment	32.85
Realisation / (investment) in fixed deposit and margin money (Net)	298.69
Interest received	71.38
Net cash used in investing activities	**(7,392.20)**
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from issue of equity shares	19.97
Proceeds / (Repayments) of long term borrowings	768.84
Proceeds / (Repayments) of short term borrowings	(1,703.41)
Principal elements of lease payments	(615.28)
Proceeds from Intercorporate deposit	1,200.00
Finance costs paid	(3,565.96
Net cash generated from / (used in) financing activities	**(3,895.84)**
Net (decrease) / increase in Cash and Cash Equivalents	**523.73**
Cash and cash equivalents at the beginning of the year	385.07
Cash and cash equivalents at the end of the year	**908.80**
Non-cash investing/ financing activities	
- Acquisition of right-of-use assets	67.38
Reconciliation of cash and cash equivalents as per the cash flow statement	
Cash and cash equivalents comprise of:	
Cash on Hand (Refer Note 12)	20.96
Balance with banks in current accounts (Refer Note 12)	887.84
Cash and bank balances at the end of the year	**908.80**

Notes:

1) Consolidated cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind AS) 3 “Statement of Cash Flows”.

2) The above consolidated statement of cash flows should be read in conjuction with the accompanying notes.

This is the consolidated cash flow statement referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

A EQUITY SHARE CAPITAL

Particulars	Notes	Amount
Balance as at March 31, 2022		**5,015.36**
Changes in equity share capital during the year	17(a)	19.97
Balance as at March 31, 2023		**5,035.33**

B OTHER EQUITY

Particulars	Notes	Reserves and Surplus						Total Other Equity
		Capital reserve	Securities premium reserve	General Reserve	Share options outstanding account	Capital Redemption Reserve	Retained earnings	
Balance as at 1 April 2022		**2,664.93**	**7,056.59**	**107.06**	**190.77**	**293.36**	**25,669.27**	**35981.98**
Profit for the year		-	-	-	-	-	716.20	**716.20**
Other comprehensive income		-	-	-	-	-	74.92	**74.92**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	791.12	**791.12**
Share options outstanding account	**17(b)**	-	103.26	-	216.38	-	-	**319.64**
Employee stock options exercised	**17(b)**	-	-	-	(103.26)	-	-	**(103.26)**
Balance as at 31 March 2023		**2,664.93**	**7,159.85**	**107.06**	**303.89**	**293.36**	**26,460.39**	**36,989.48**

Notes :

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Changes in Equity referred to in our report of the even/ date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

General information

AYM Syntex Limited (herein referred to as "AYM" or "the Company") and its subsidiary company AYM Textiles Private Limited together comprises the "Group". The address of its registered office is Survey No. 374/1/1, Saily, Silvassa - 396230 (U.T. of Dadra & Nagar Haveli), India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). Since the inception, the Group has grown manifold and today is amongst the largest manufacturers and exporters of Polyester Filament Yarn, Nylon Filament Yarn and Bulk Continuous Filament Yarn from India.

The consolidated financial statements were authorised for issue by the board of directors of the Company on May 5, 2023.

Note 1: Significant Accounting Policies

This Note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements.

1.1 Basis of Preparation of Consolidated financial statements

(i) Compliance with Ind AS

The consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India and comply in all material aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, presentation requirement of Division II of Schedule III of the Companies Act, 2013 and other relevant provisions of the Act as amended from time to time.

(ii) Historical cost convention

The consolidated financial statements have been prepared on an accrual and going concern basis. The consolidated financial statements have been prepared on a historical cost basis, except as stated in subsequent policies for the following items:

- Certain financial assets and liabilities - Fair value
- Assets held for sale – Lower of cost or fair value less cost of sale
- Share based payments – Fair value

(iii) New and amended standards adopted by the group

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

iv) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of consolidated financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

(v) Principal of consolidation

a) The Company has incorporated a subsidiary "AYM Textiles Private Limited" on June 27, 2022 and therefore the Company is required to prepare consolidated financial statements for the first time for the year ended March 31, 2023. Accordingly, the corresponding figures for the year ended March 31, 2022 are not required to be furnished in the these consolidated financial statements.

b) Subsidiary is the entity over which the

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date of incorporation i.e. June 27, 2022 on which the control is established.

c) The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

d) The financial statements of the subsidiary used in consolidation is drawn up to the same reporting date as that of the parent company i.e. year ended March 31, 2023.

e) Following subsidiary has been considered in the preparation of consolidated financial statements:

Name of the subsidiary	Country of incorporation	of Holding and % voting power as at 31.03.2023
AYM Textiles Private Limited (Date of Incorporation: June 27, 2022)	India	100%

1.2 Foreign currency translation

a) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian rupees (INR), which is Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses, as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The Group has applied the exemption from the transition date i. e. April 1, 2016 in respect of accounting policy followed for long term foreign currency monetary items. Accordingly, foreign exchange differences, in respect of the long term foreign currency items till the year ended March 31, 2017, on account of depreciable assets are adjusted in the cost of depreciable assets and depreciated over the balance life of the assets.

1.3 Revenue recognition

The Group derives revenues primarily from sale of manufactured goods and related services.The Group has assessed revenue contracts and revenue is recognised upon satisfying specific performance obligations in accordance with provisions of contract with the customer.

It recognises revenue when control over the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange of those goods or services. This is generally determined when documents of title/goods are delivered/shipped to the customer in accordance with the agreed terms, following which the customer has full discretion over responsibility, manner of distribution and price to sell the goods and bears the risks of obsolescence and loss in relation to the goods and there is no unfulfilled obligation that would affect customer's acceptance of the product. All the foregoing occurs at a point in time upon shipment or delivery of the documents of title/product or goods.

The Group considers terms of the contract in determining the revenue. It is measured at the price that reflects the consideration the Group expects to be entitled to in exchange for satisfaction of the performance obligation. The Group considers freight, insurance and handling activities as costs to fulfil the promise to transfer products and related services and the customer payments for such activities are recorded as a component of revenue.

In certain customer contracts where freight is arranged by the Group and recovered from the customers, the same is treated as a distinct separate performance obligation and revenue is recognised when such freight services are rendered. The related shipping and handling costs incurred are included in freight expenses when the Group is acting as principal in the shipping and handling arrangement. For volume discounts and pricing incentives/concessions offered to the customers, the Group makes estimates and provide for, based on customer performance and sales volume, which is recorded as deductions from revenue.Revenue from sale of by-products are included in revenue. Revenue from services is recognised when the services are completed.Revenue excludes any taxes and duties collected on behalf of the government. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The Group does not have any contracts where in the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

A receivable is recognised when the goods are delivered and to the extent it has an unconditional right to consideration (i.e. only the passage of time is required before the payment of consideration is due).

Consideration received before a related performance obligation is satisfied or before the Group transfer goods or services to the customer are recognised as contract liabilities. Contract liabilities are recognised as revenue when the Group completes its performance obligation under the contract.

Export Incentives

Export incentives and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received. Export benefits arising from duty drawback scheme, remission of duties and taxes on export products and merchandise export incentive scheme are recognised on shipment for export at the rate at which they accrue and is included in other operating income.

1.4 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to profit or loss over the periods and in proportions in which depreciation expense on those assets is recognised.

1.5 Income Tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and unabsorbed tax losses.

a) Current income tax

Current income tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

reporting date where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred income tax

Deferred income tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred income tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and Deferred Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax ('MAT') credit entitlement is recognised as a deferred tax asset by crediting the Statement of profit and loss only when and to the extent there is convincing evidence that MAT credit will reverse in the foreseeable future and the Group will be able to utilize the said credit against normal tax payable during the specified period.

1.6 Leases

As a lessee

Leases are recognised as a right-of-use (ROU) asset and a corresponding liability at the date at which the leased asset is available for use by the Group for all leases except short-term leases. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities are recognised based on the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate at the date of initial application is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group use that rate as a starting point to determine the incremental borrowing rate.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect.

When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are measured at cost comprising the following:

- initial amount of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

They are subsequently measured at cost less accumulated depreciation. ROU assets are depreciated from the commencement date over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability and ROU assets have been separately disclosed in the Balance Sheet and lease payments have been classified as financing cash flows.

Payments associated with short-term leases are recognised as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

1.7 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable on making the asset ready for its intended use and location, relevant borrowing cost for qualifying assets and present value of any obligatory cost of decommissioning.

Subsequent costs of replacement and major maintenance or repair (overhaul costs) are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the Group and

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

the cost can be measured reliably. The carrying amount of any asset or component of an asset replaced is derecognised when replaced. Overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises cost and related expenses, of property, plant and equipment that are not yet ready for their intended use at the reporting date.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements are amortised over the shorter of estimated useful life or the related lease term, unless the Group expects to use the assets beyond the lease term. Depreciation is calculated using the straight-line method to allocate the costs, net of residual values, over the estimated useful lives as follows:

Asset	Useful life (years)
Office equipment	5
Furniture and fixtures	10
Computer hardware and software	3/5
Vehicles	8
Plant and machinery*#	7 to 25
Electrical installation	10
Factory building	30
Residential and other buildings	60
Other buildings (carpeted roads)	10

*Extra shift depreciation is provided.

#Useful lives determined based on technical evaluation by the expert is equal to or lower than those specified in the Schedule II.

The useful lives have been determined based on Schedule II of the Companies Act, 2013. The residual values are not more than 5% of the original cost of the assets. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately, if its useful life differs from that of other components of the asset.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Gains and losses on disposal or retirement are determined as the difference between net proceeds and the carrying amount. These are recognised in statement of profit and loss within other expenses or other income, as applicable.

1.8 Intangible assets

a) Intangible assets with finite useful lives:

Intangible assets with finite useful lives acquired by the Group are measured at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged on a straight-line basis over the estimated useful lives.

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

b) Research and Development

Research expenditure and development expenditure that do not meet the criteria in Note 1.8(a) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in subsequent period.

c) Amortization method and period

Intangible assets comprise of computer software and licenses which are amortised on a straight-line basis over the expected useful life over a period of five years.

1.9 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss or a reversal of an impairment loss is immediately recognised in the statement of profit and loss.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current assets is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

1.11 Inventories

Raw materials and stores, goods-in-process and finished goods

Raw materials, stores, goods-in-process and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprises cost of purchases.

Cost of work-in progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on moving weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one Group and a financial liability or equity instrument of another Group.

Investments and Other Financial Assets

a) Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in debt instruments, recognition will depend on the business model in which the investment is held.

For investments in equity instruments, recognition will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

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(All amounts in ₹ Lakhs, unless otherwise stated)

b) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sale the financial asset.

c) Measurement

At initial recognition, the Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

- **Fair value through other comprehensive income (FVOCI):**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other expenses or other incomes, as applicable. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign Exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss:**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other expenses or other incomes, as applicable in the period in which it arises. Interest income from these financial assets is included in other income.

(ii) Equity instruments:

The Group measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 38 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e) Derecognition of financial assets revenue recognition

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- it retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

f) Income recognition

(i) Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit- impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(ii) Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

g) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

h) Trade receivable

Trade receivables are consideration due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised/measured initially at transaction price that is unconditional unless they contain significant financing components.

Financial liabilities

a) Measurement:

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

b) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss.

Where the terms of a financial liability are renegotiated and the Group issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the consolidated financial statements for issue, not to demand payment as consequence of the breach.

d) Trade and other payables:

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30-90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

e) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

1.13 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

1.14 Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are rendered at the undiscounted amount of benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Group operates the following post-employment schemes:

- Defined benefit plans such as gratuity, and
- Defined contribution plans such as provident fund and superannuation fund.

a) **Defined Benefit Plans**

(i) **Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the annual reporting period less the fair value of plan assets. The defined benefit cost is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The service cost include current service cost, past service cost, gains and losses on curtailments and settlements. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Remeasurements are not reclassified to profit and loss in the subsequent periods.

b) Defined contribution plans

(i) Provident Fund, Employee State Insurance Corporation (ESIC) and Labour Welfare Fund (LWF).

The Contribution towards provident fund, ESIC, LWF for certain employees is made to the regulatory authorities where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations apart from the contributions made on a monthly basis.

(ii) Superannuation Fund

Contribution towards superannuation fund for certain employees is made to defined contribution scheme administered by insurance Group where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from contribution made on monthly basis.

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

c) Shared based payments

Employee options

The fair value of options under the AYM Syntex Limited Employee Option scheme is recognised as an employee benefits expense at the grant date with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Group's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the Group over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period).

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Group reviews its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss such that the cumulative expense reflects the revised estimate with a corresponding adjustment to equity-settled employee benefits reserve.

Bonus Plan

The Group recognises a liability and an expense for bonus where contractually obliged or where there is a past practice that has created a constructive obligation.

1.15 Provisions and contingent liabilities

a) Provisions

Provisions for legal claims, quality claims and volume discounts are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Group will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Group.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the nominal or present value of management's best estimate of the expenditure required, taking into account the risks and uncertainties surrounding the obligation, to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

b) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

c) Contingent Assets

Contingent Assets are disclosed, where an inflow of economic benefits is probable. The Group shall not recognised a contingent asset unless the recovery is virtually certain.

1.16 Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.17 Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.18 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (Note 41).

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

1.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director, who has been identified as the chief operating decision maker, assesses the financial performance and position of the Group and makes strategic decisions. Refer Note 47 for the segment information presented.

1.20 Exceptional items

Exceptional items are items of income or expense recorded in the year in which they have been determined by management as being material by their size or incidence in relation to the consolidated financial statements and are presented separately within the results of the Group. The determination of which items are disclosed as exceptional items affect the presentation of profit for the year and requires a degree of judgment.

1.21 Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs with two decimal as per the requirement of Schedule III, unless otherwise stated.

Note 2: Significant accounting assumptions, estimates and judgements

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise assumptions, estimates and judgements in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements. Accounting estimates could change from period to period.

a) Estimation of current tax expense and deferred income tax

The calculation of the Group's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 35).

The recognition of deferred income tax assets (including MAT Credit)/ liabilities is based upon management's assessment of future taxable profits for recoverability of the deferred benefit. Expected recoverability may result from sufficient and suitable taxable profits in the future, planned transactions and planned tax optimizing measures. To determine the future taxable profits, reference is made to the latest available profit forecasts.

b) Estimation of Provisions and Contingent Liabilities.

The Group exercises judgement in measuring and recognizing provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision (Refer Note 39).

c) Estimated useful life of Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. Internal and external factors such as changes in the expected level of usage, technological developments, product life cycle, relative efficiencies and operating costs may impact their life and the residual value of these assets. This reassessment may result in change in depreciation and amortization expense and have an impact on profit in future years. For the relative size of the Group's property, plant and equipment and intangible assets (Refer Note 3 and 4).

d) Provision for inventories

The Group writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the carrying balances may not realised. The identification of write- downs requires the use of estimates of net selling prices, age and quality/condition of downgraded materials/inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

Write-downs of inventories to net realisable value amounted to ₹ 318.91 lakhs (March 31, 2022: ₹ 316.15 lakhs). These were recognised as an expense during the year and included in 'changes in the inventories of work-in-progress and finished goods' in statement of Profit and Loss.

e) Estimation of Defined Benefit Obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Significant judgements are required when setting these assumptions which include estimation of appropriate discount rate, inflation, salary growth, attrition rates and mortality rates. Any changes in these assumptions will impact the carrying amount of such obligations. All assumptions are reviewed at each reporting date.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that is used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer Note 31 for the details of the assumptions used in estimating the defined benefit obligation.

f) Estimation of impairment of non-current assets

Ind AS 36 requires that the Group assesses whether there is any indication of impairment to an asset or a cash generating unit and recoverability of potentially impaired assets. The indication come from interplay of various internal and external factors. Based on the indications/conditions which can be external or internal, impairment testing requires an estimate of value in use of the assets. The Group applies the discounted cash flow method based on the continued use of the assets in the present condition for calculation of value in use. In considering the value in use, the management requires the use of estimates of, among other uncertain variables, capacity utilization, sales, cost of materials, operating margins, rate of growth, currency rate movements and discount rates of the underlying business/operations. Any consequent changes to the cash flows due to changes in any of the above factors could impact the carrying value of the assets.

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 3A: PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Leasehold Improvements	Building	Plant & Machinery	Vehicles	Furniture and Fixtures	Equipments	Computers	Total	Capital work in progress
Net carrying amount as at March 31, 2022	**1,607.42**	**17.31**	**8,154.91**	**55,060.38**	**192.83**	**261.29**	**192.77**	**640.90**	**66,127.81**	**1,495.32**
Additions	44.62	-	-	77.11	-	0.44	3.11	7.68	132.96	6,415.15
Disposals	-	-	(4.43)	(467.44)	-	(0.07)	(0.02)	-	(471.96)	-
Transfers from CWIP	-	-	843.53	3,871.11	-		5.90	93.47	4,814.01	(4,814.01)
Closing gross carrying amount	**1,652.04**	**17.31**	**8,994.01**	**58,541.16**	**192.83**	**261.66**	**201.76**	**742.05**	**70,602.82**	**3,096.46**
Accumulated depreciation										
Accumulated depreciation as At April 1, 2022	-	16.27	1,508.91	19,568.01	90.15	114.77	148.09	452.89	21,899.09	-
Depreciation charge during the year	-	-	384.17	4,460.11	22.11	25.02	20.48	68.63	4,980.52	-
Disposals	-	-	(1.30)	(327.11)	-	(0.04)	(0.01)	-	(328.46)	-
Closing accumulated depreciation	**-**	**16.27**	**1,891.78**	**23,701.01**	**112.26**	**139.75**	**168.56**	**521.52**	**26,551.15**	**-**
Net carrying amount as at March 31, 2023	**1,652.04**	**1.04**	**7,102.23**	**34,840.15**	**80.57**	**121.91**	**33.20**	**220.53**	**44,051.67**	**3,096.46**

Notes:

(i) Refer to Note 18 for information on property, plant and equipment hypothecated / pledged as security by the Group.

(ii) Contractual obligations : Refer to Note 40 for disclosure of contractual commitments for acquisition of property, plant and equipment.

(iii) Borrowing costs allocated to fixed assets / capital work in progress is ₹ 40.83 lakhs. (Refer note 34)

(iv) Capital work-in-progress - Capital work-in-progress mainly comprises of new plant and machinery for spinning and texturising process, being installed/constructed in India. (Refer note 3a(i))

(v) In accordance with para D13AA of Ind AS 101 First time adoption of Indian Accounting Standards and the option available in the Companies (Accounting Standards) (Second Amendment) Rules, 2011, vide notification dated December 29, 2011 issued by the Ministry of Corporate Affairs, the Group has adjusted the exchange rate difference arising on long term foreign currency monetary items, in so far as they relate to the acquisition of a depreciable capital asset, to the cost of the asset.

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 3a (i) CAPITAL WORK IN PROGRESS

(A) AGING OF CWIP:

Projects in progress	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
March 31, 2023	2,882.63	213.83	-	-	3096.46

NOTE 3a (ii) COMPLETION SCHEDULE FOR CAPITAL WORK-IN-PROGRESS WHOSE COMPLETION IS OVERDUE :

Projects in progress	To be Completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
March 31, 2023	-	-	-	-	-

NOTE 3a (iii) TITLE DEEDS OF IMMOVABLE PROPERTY NOT IN THE NAME OF THE COMPANY

Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Building	Building - Residential flats - Flat No. C-4-18 to C-4-23 (6 flats) at Vardhman Co-op. Hsg Soc.Ltd. Survey No. 91, Village Lavachha Tal. Pardi.	14.85	Original title deeds not traceable	No	30-Sep-98	Original title deeds not traceable

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Note 3(b): LEASES

This note provides information for leases where the Company is a lessee.

The Company leases various offices, warehouses and vehicles etc. Rental contracts are typically made for fixed periods of 6 months to 5 years, but may have extension options as described in (ii) below.

(i) **Amounts recognised in balance sheet**

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2023
Right-of-use assets	
Buildings	730.88
Vehicles	-
Total	**730.88**

Particulars	As at March 31, 2023
Lease Liabilities	
Current	602.84
Non-current	171.18
Total	**774.02**

Additions to the right-of-use assets during the current financial year were ₹ 67.38 lakhs

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

Particulars	Note No	As at March 31, 2023
Depreciation charge of right-of-use assets		
Buildings	32	656.50
Vehicles	32	2.36
Total		**658.86**

Particulars	Note No	As at March 31, 2023
Interest expense (included in finance costs)	36	107.23
Expense relating to short-term leases (included in other expenses)	35	18.00
Total		**125.23**

The total cash outflow for leases for the year ended March 31, 2023 was ₹ 722.51 lakhs .

The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

Note 4: INTANGIBLE ASSETS

Particulars	Computer Software
Year ended March 31, 2022	
Gross carrying amount	
Opening	137.25
Additions during the year	-
Disposals during the year	-
Closing gross carrying amount	**137.25**
Accumulated amortisation	
Opening	105.43
Charge during the year	12.49
Amortisation on disposals	-
Closing accumulated amortisation	**117.92**
Net carrying amount as at March 31, 2023	**19.33**

NOTE 5: LOANS- NON-CURRENT

Particulars	As at March 31, 2023
Loans to employees	56.58
Total	**56.58**

NOTE6 : NON-CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2023
Security deposits	193.00
Deposits with banks with maturity period of more than 12 months	106.36
Total	**299.36**

NOTE 7: INCOME TAX ASSETS (NET)

Particulars	As at March 31, 2023
Income tax assets	108.64
Add : Taxes Paid	259.08
MAT utilised	248.24
Less : Provision for current tax	(435.59)
Total	**180.37**

The above asset are net of provision for tax ₹ 2,874.86 lakhs

NOTES

to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 8: DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2023
Deferred tax assets	
Defined benefit obligation	377.07
Provision for doubtful debts	21.85
MAT credit entitlement*	5,825.92
Lease liabilities	270.47
Others including expenses allowable on payment basis	408.55
	6,903.86
Deferred tax liabilities	
Depreciation	4,652.64
Right-of-use assets	255.40
	4,908.04
Net defered tax assets	**1,995.82**

Note:

*In assessing the realisability of deferred tax on MAT credit entitlement, the Company considers the extent to which it is probable that the credit will be realised. 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.The Company considers the expected projected future taxable income and tax planning strategies in making this assessment. Based on this, the Company believes that it is probable that it will realise the benefits of this MAT credit entitlement.

MOVEMENT IN DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

	Deferred tax assets					Deferred tax liabilities		
	Unabsorbed tax losses-depreciation	MAT credit entitlement	Defined benefit obligation	Provision	Lease Liabilities	Depreciation	Right-of-use assets	Net deferred tax assets
At March 31, 2022	**-**	**6,074.16**	**430.73**	**451.52**	**575.10**	**4,763.83**	**572.13**	**2,195.55**
As at April 1, 2022	**-**	**6,074.16**	**430.73**	**451.52**	**575.10**	**4,763.83**	**572.13**	**2,195.55**
Charged / credited								
- to statement of Profit & Loss	-	-	(13.41)	(21.12)	(304.63)	(111.19)	(316.73)	88.76
- MAT credit utilisation	-	(248.24)	-	-	-	-	-	(248.24)
- to other comprehensive income	-	-	(40.25)	-	-	-	-	(40.25)
At March 31, 2023	**-**	**5,825.92**	**377.07**	**430.40**	**270.47**	**4,652.64**	**255.40**	**1,995.82**

Utilisation of deferred tax assets on carry forward MAT credit is towards current tax payable and hence not routed through the Statement of Profit and Loss.

NOTE 9 : OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023
Capital advances	465.11
Prepaid expenses	18.47
Balances with government authorities	85.33
Total	**568.91**

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 10 : INVENTORIES

Particulars	As at March 31, 2023
Raw Materials	
-In stock	3,877.56
-In transit	4,078.95
Goods-in-process	**2,363.58**
Finished goods	
-In stock	4,811.45
-In transit	2,731.47
Consumables, packing materials, stores and spares	2,077.25
Total	**19,940.26**

Refer Note 1.11 and Note 2 (d) for basis of valuation and provision.

NOTE 11 : TRADE RECEIVABLES - UNSECURED

Particulars	As at March 31, 2023
Current Trade receivables from contracts billed with:	
Related parties (Refer Note 46)	209.99
Others	10,257.29
Less: Loss allowance	(62.53)
Total	**10,404.75**

AGING OF TRADE RECEIVABLES : AS AT MARCH 31, 2023

Particulars	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 Months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
considered good	7,899.86	2,466.85	38.04	-	-	-	10,404.75
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	23.83	17.30	16.81	4.59	-	62.53
Less: Loss allowance	-	(23.83)	(17.30)	(16.81)	(4.59)	-	(62.53)
Total	**7,899.86**	**2,466.85**	**38.04**	**-**	**0.00**	**-**	**10,404.75**

NOTE 12 : CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023
Balance with Banks	
- in current accounts	780.37
- in EEFC account	107.47
Cash on hand	20.96
Total	**908.80**

NOTES
to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

Particulars	As at March 31, 2023
Balance with Banks in	
- in margin money deposits with banks having maturity period upto twelve months (Refer below}	1,312.21
Total	**1,312.21**

Notes:

Fixed money deposits with banks having maturity period more than 12 months are disclosed under "Non-current financial assets - Other financial assets" (Refer Note 6)

NOTE 14 : LOANS

Particulars	As at March 31, 2023
Loans and advances to employees	52.61
Total	**52.61**

NOTE 15 : CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2023
Security deposits	105.32
Less : Provision for doubtful balances	(70.76)
Interest accrued on fixed deposits	19.35
Other receivables	99.55
Total	**153.46**

NOTE 16 : OTHER CURRENT ASSETS

Particulars	As at March 31, 2023
Assets held for disposal	5.70
Advances to vendors (recoverable in cash or kind)	986.39
Prepaid expenses	127.29
Balances with government authorities	6866.54
Export benefits receivable	278.73
Technology upgradation fund subsidy receivable	391.31
Less: Loss allowance	(391.31)
Total	**8,264.65**

NOTE 17(A) : EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023
Authorized equity share capital	
9,20,00,000 Equity Shares of ₹ 10/- each	9,200.00
2,80,00,000 Optionally Convertible Cumulative Preference Shares of ₹ 10/- each	2,800.00
	12,000.00
Issued, subscribed and fully paid up equity share capital	
50,35,3314 Equity Shares of ₹ 10/- each fully paid up	5,035.33
Total	**5,035.33**

(All amounts in ₹ Lakhs, unless otherwise stated)

Movement in equity share capital	Number of equity shares
As at April 1, 2022	**50,153,634**
Add: Exercise of options - proceeds received	199,680
As at March 31, 2023	**50,353,314**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. All issued shares rank pari-passu and have same voting rights per share. The Company declares and pays dividend in indian rupees.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity shares held by holding company	As at March 31, 2023
Mandawewala Enterprises Limited	36,734,927

Details of shareholders holding more than 5% equity shares		As at March 31, 2023
Mandawewala Enterprises Limited	Number of equity shares	36,734,927
Mandawewala Enterprises Limited	Percentage of holding	72.95%

Details of shareholding of promoters	As at March 31, 2023		
	Number of Shares	Percentage of total number of shares	Percentage of change during the year
Mandawewala Enterprises Limited	36,734,927	72.95%	0.00%
RRM Family Trust	500,000	0.99%	0.00%

NOTE 17 (B): OTHER EQUITY - RESERVES AND SURPLUS

Particulars	As at March 31, 2023
Capital reserve	2,664.93
Capital redemption reserve	293.36
Securities premium	7,159.85
General reserve	107.06
Share options outstanding account	303.89
Retained earnings	26,460.39
Total	**36,989.48**

NOTES

to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Movement	As at March 31, 2023
- Capital reserve	
As per last balance sheet	2,664.93
Add/(less): Changes during the year	-
	2,664.93
- Capital redemption reserve	
As per last balance sheet	293.36
Add/(less): Changes during the year	-
	293.36
- Securities premium	
As per last balance sheet	7,056.59
Add: Exercise of options - proceeds received	103.26
	7,159.85
- General reserve	
As per last balance sheet	107.06
Add/ (Less): Changes during the year	-
	107.06
- Share options outstanding account	
As per last balance sheet	190.77
Add: Employee share based payment expense	216.38
Less: Employee stock options exercised	103.26
	303.89
- Retained earnings	
Opening balance	25,669.27
Restated Balance	25,669.27
Add/(Less):	
Net profit for the year	716.20
Item of other comprehensive income recognized directly in retained earnings	
- Remeasurement of post-employment benefit obligation, net of tax	74.92
	26,460.39

Nature and purpose of reserves

Capital reserve

Capital reserve represents capital surplus and is not available for distribution as dividend.

Securities premium reserve

Securities premium is used to record the premium received on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve (CRR)

CRR is created on redemption of preference shares in accordance with the provisions of the Act.

Debenture redemption reserve (DRR)

DRR was created on issue of debentures in the earlier years. This has been transferred to general reserve as the debentures have been redeemed.

General reserve

General reserve represents appropriation of profits by the Group.

Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under AYM Syntex Limited employee stock option plan.

Retained earnings

Retained earnings represent the accumulated undistributed earnings.

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 18 : NON-CURRENT BORROWINGS

Particulars	As at March 31, 2023
Secured	
Term loans from banks	
- Rupee loans	18534.56
Unsecured, considered good	
Inter-corporate deposits from related parties	2400.00
Less: Current maturities of long-term debt (included in current borrowings)	(5,772.19)
Total	**15,162.37**

Note:

The rate of interest on the borrowings are in range of 7.75% to 9.30% p .a. The rupee term loans from banks are eligible for Central and State Government interest subsidies/ rebates.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at March 31, 2023
Cash and cash equivalent	908.80
Lease liabilities	(774.02)
Term Loans from banks	(20,934.56)
Current borrowings (including overdraft)	(5,865.77)
Net debt	**(26,665.55)**

Particulars	Other assets	Liabilities from financial activities			
	Cash and Cash equivalents	Lease Liabilities	Non Current borrowings*	Current borrowings	Total
Net debt as at March 31, 2022	**385.07**	**(1,645.76)**	**(18,965.72)**	**(8,356.94)**	**(28,583.35)**
Cash flows (net)	523.73	615.28	(1,968.84)	2,491.17	1,661.34
New leases	-	(67.38)	-	-	(67.38)
Interest expense	-	(107.23)	(1,765.07)	(513.34)	(2,385.64)
Interest paid	-	107.23	1,765.07	513.34	2,385.64
Non-cash movements					
- Fair value adjustment	-	323.84	-	-	323.84
Net debt as at March 31, 2023	**908.80**	**(774.02)**	**(20,934.56)**	**(5,865.77)**	**(26,665.55)**

NOTES

to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Last installment due	Terms of Repayment	As at March 31, 2023
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**April-2024**	Repayable in 28 quarterly installments commencing from Jan 2017	340.78
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**April-2024**	Repayable in 28 quarterly installments commencing from Jan 2017	486.95
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**September - 2024**	Repayable in 27 quarterly installments commencing from July 2017	448.58
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**January 2025**	Repayable in 30 quarterly installments commencing from July 2017	771.03
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**April-2025**	Repayable in 28 quarterly installments commencing from June 2018	851.32
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**April-2025**	Repayable in 28 quarterly installments commencing from October 2018	528.84
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**July-2026**	Repayable in 28 quarterly installments commencing from October 2018	1,558.94
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**Jun-2026**	Repayable in 29 quarterly installments commencing from December 2019	4,383.15
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**June-2022**	Repayable in 18 Monthly installments commencing from January 2021	-
Rupee working capital term loan is secured by 2nd pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**February-26**	Repayable in 48 Monthly installments commencing from March 2022.	678.13
Rupee working capital term loan is secured by 2nd pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**February-26**	Repayable in 48 Monthly installments commencing from April 2022.	1,808.33
Rupee working capital term loan is secured by 2nd pari passu charge over the present and future fixed assets, all movable and immovable properties and 2nd pari passu charged over current assets of the Company	**March- 2026**	Repayable in 48 Monthly installments commencing from April 2022.	225.00
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties of the Company	**November - 2026**	Repayable in 18 quarterly installments commencing from August 2022	1,932.40
Rupee term loan is secured by 1st pari passu charge over the entire fixed assets, and 2nd pari passu charge over the entire current asset of the Company	**August- 2027**	Repayable in 16 quarterly installments commencing from Nov 2023	2,488.96
Rupee term loan is secured by 1st pari passu charge over the present and future fixed assets, all movable and immovable properties of the Company	**Mar- 2028**	Repayable in 20 quarterly installments commencing from Jun 2023	2,032.15
Total			**18,534.56**

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 19 : OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023
Creditors for capital purchases	242.28
Total	**242.28**

NOTE 20 : NON-CURRENT EMPLOYEE BENEFIT OBLIGATIONS

Particulars	As at March 31, 2023
Provision for gratuity (Refer Note 33)	742.27
Total	**742.27**

NOTE 21 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at March 31, 2023
Secured	
Working capital loan from banks	
- Rupee loans	5,560.51
Current maturities of long-term borrowings (Refer Note 19)	**5,772.19**
Unsecured	
Buyers' credit from banks	305.26
Total	**11,637.96**

Note:

The working capital loans, which includes cash credit and packing credit from banks, are secured by hypothecation of raw material, stock-in-process, finished goods, semi finished goods, stores, spares and book debts and other current assets of the Group and second charge on entire fixed assets of the Group.

NOTE 22 : TRADE PAYABLES

Particulars	As at March 31, 2023
Acceptances	11,721.69
Dues to micro, small and medium enterprises (Refer Note 42)	1,590.41
Dues to other	5,939.77
Total	**19,251.87**

For payables to Related parties (Refer Note 46)

AGING OF TRADE PAYABLES: FOR MARCH 31, 20223

Particulars	Not Due	Outstanding for following periods from the due date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
Mono enterprises and small enterprises	1,590.41	-	-	-	-	1,590.41
Others	15,263.59	2,235.09	49.55	30.95	82.28	17,661.46
Total	**16,854.00**	**2,235.09**	**49.55**	**30.95**	**82.28**	**19,251.87**

NOTES

to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 23 : OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023
Interest accrued but not due on borrowings	116.20
Creditors for capital purchases	664.32
Security deposits	166.20
Total	**946.72**

NOTE 24 : CURRENT EMPLOYEE BENEFIT OBLIGATIONS

Particulars	As at March 31, 2023
Provision for gratuity	80.64
Provision for compensated absences (Refer Note 32)	256.17
Employee benefit payables	198.51
Total	**535.32**

Note:

The entire amount of the provision of ₹ 256.17 lakhs is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

NOTE 25 : INCOME TAX LIABILITIES (NET)

Particulars	As at March 31, 2023
Opening balance	581.61
Add : Current tax payable for the year	-
Less : Taxes paid	(578.29)
Closing Balance	**3.32**

The above liabilities are net of advance taxes paid of ₹ 1830.51 lakhs. (Refer Note 35)

NOTE 26 : OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023
Contact Liabilities	543.46
Statutory dues	171.25
Deferred capital subsidy	0.47
Total	**715.18**

NOTE 27: REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2023
Revenue from contract with customers	
Sale of products	142,287.38
Sales of Services	343.00
Other Operating Revenue	
Sale of scrap	606.88
Export incentives (Refer Note 1.3)	2,540.96
Total	**145,778.22**

NOTE 28: OTHER INCOME

Particulars	Year ended March 31, 2023
Exchange difference (net)	359.32
Interest on:	
- Fixed deposits	59.53
- Others	161.87
Profit on sale of current investments	-
Insurance claim	11.43
Miscellaneous	194.70
Total	**786.85**

NOTE 29: COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2023
Raw material consumed	
Inventory at the beginning of the year	7,281.04
Add: Purchases	88,072.26
	95,353.30
Less: Inventory at the end of the year	7,956.51
Total	**87,396.79**

NOTE 30: CHANGES IN INVENTORIES OF FINISHED GOODS AND GOODS-IN-PROCESS

Particulars	Year ended March 31, 2023
Inventory at the end of the year	
Goods-in-process	2,363.58
Finished goods	7,542.92
	9,906.50
Less: Inventory at the beginning of the year	
Goods-in-process	1,795.73
Finished goods	7,918.06
	9,713.79
Total changes in inventories of finished goods and goods-in-process	**(192.71)**

NOTE 31: EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2023
Salaries, wages and allowances	5364.80
Employee share based payment expense (Refer note 49)	216.38
Managerial remuneration	223.46
Contribution to provident and other funds	355.56
Gratuity	169.48
Workmen and staff welfare expenses	218.30
Total	**6547.98**

*Provident fund contribution ₹ 12.37 lakhs and gratuity ₹ 5.03 lakhs are included in managerial remuneration.

NOTES

to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Defined Contribution Plans	Year ended March 31, 2023
During the year, the Company has recognized the following amounts in the statement of Profit and Loss:	
Employers' Contribution to Provident Fund*	329.17
Employers' Contribution to Employees' State Insurance *	26.08
Employers' Contribution to Labour welfare fund*	0.31
Total	**355.56**

* Included in Contribution to Provident and Other Funds

Defined Benefit Plan

Contribution to Gratuity

The Company provides for every employee who is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Risk exposure

These defined benefit plans expose the Company to actuarial risk such as longevity risks, interest rate risks, market (investment) risks.

Major Assumptions	Year ended March 31, 2023 % p.a.
Discount Rate	7.50
Salary Escalation Rate *	7.00
Rate of Employee Turnover:	
-Upto 30 years	4.00
-From 31 to 44 years	6.00
-Above 44 years	2.00
Mortality Rate During Employment	100% of IALM (2012-2014)

* The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Change in the Present Value of Obligation	Year ended March 31, 2023
Opening Present Value of Obligation	846.88
Current Service Cost	112.52
Interest Cost	61.99
Total amount recognized in profit or loss	**174.51**
Remeasurement	
(Gain)/Loss from change in demographic assumptions and experience adjustments	(26.24)
(Gain)/Loss from change in financial assumptions	(88.93)
Total amount recognized in other comprehensive income	**(115.17)**
Benefit/ Exgratia paid	83.31
Closing Present Value of Obligation	**822.91**

(All amounts in ₹ Lakhs, unless otherwise stated)

Amount recognized in the Balance sheet	**Year ended March 31, 2023**
Present value of Obligation	822.91
Funded Status [(Surplus/ (Deficit)]	(822.91)
Expense recognized in Statement of Profit and Loss	174.15
Expense recognized in Other comprehensive income	115.17
Net (liability)/ Asset Recognized in the Balance Sheet	**(822.91)**

Expenses Recognized in Profit and Loss	**Year ended March 31, 2023**
Current Service Cost	112.52
Interest Cost	61.99
Expenses recognized in the of profit or loss*	**174.51**

* Included in Employee Benefits Expense

Expenses recognized in Other Comprehensive Income	**Year ended March 31, 2023**
Re-measurement (Refer Note b above)	
Actuarial (Gains)/Losses on Obligation For the year	(115.17)
Net (Income)/Expenses for the Period Recognized in OCI	**(115.17)**

Sensitivity Analysis	**Year ended March 31, 2023**
Projected Benefit Obligation on Current Assumptions	822.91
Delta Effect of	
+0.5% Change in Rate of Discounting	(42.86)
-0.5% Change in Rate of Discounting	32.60
+0.5% Change in Rate of Salary	32.60
-0.5% Change in Rate of Salary	(31.31)
+0.5% Change in Rate of Employee Turnover*	1.16
-0.5% Change in Rate of Employee Turnover*	(1.23)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Defined benefit liability and employer contributions

The Group considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

NOTES

to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

The weighted average duration of the defined benefit obligation is 16.37 years. The expected maturity analysis of undiscounted gratuity is as follows:

	Less than a year
As at March 31, 2023	
Defined benefit obligation (gratuity)	80.64
As at March 31, 2022	
Defined benefit obligation (gratuity)	40.05

Maturity Profile of Defined Benefit Obligation

Year	Amount
2023 - 2024	183.90
2024 - 2025	100.15
2025 - 2026	91.98
2026 - 2027	113.89
2027 -2028	100.61

Other employee benefit

The liability for compensated absences as at year end is ₹ 256.17 Lakhs .

NOTE 32: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2023
Depreciation on property, plant and equipment (Refer Note 3a)	4,980.52
Depreciation of right-of-use assets (Refer Note 3b)	658.86
Amortization of intangible assets (Refer Note 4)	12.49
Total	**5,651.87**

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 33: OTHER EXPENSES

Particulars	Year ended March 31, 2023
Consumption of stores and spares	3,606.65
Packing materials	4,488.71
Dyes and chemicals	4,219.33
Power, fuel and water	10,374.64
Contract labour charges	4,433.65
Repairs and maintenance:	
-Buildings	162.85
-Property, plant and equipment	581.84
-Others	244.30
Rent	18.00
Rates and taxes	45.93
Insurance	328.27
Directors sitting fees	14.49
Printing and stationery	33.50
Travelling and conveyance expenses	479.08
Legal and professional charges	826.42
Payment to auditors [Refer Note (a) below]	32.80
Communication charges	38.69
Vehicle expenses	63.18
Loss on sale/discarding of property, plant and equipment (net)	110.65
Freight and forwarding expenses	9,164.23
Brokerage and commission	2,004.68
Donations	5.11
Corporate social responsibility expenditure (Refer Note:52)	72.41
Miscellaneous expenses	1,149.28
Total	**42,498.69**
Note (a) Payment to auditors for:	
As auditor:	
-Audit fees	29.00
-Tax audit	2.25
In other capacities:	
-Certifications	1.15
-Reimbursement of expenses	0.40
Total	**32.80**

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 34: FINANCE COSTS

Particulars	Year ended March 31, 2023
Interest and finance charges on lease liabilities and financial liabilities	
- Long term borrowings	1,765.07
- Short term borrowings	513.34
- Others	252.03
Bank and other financial charges	1,068.98
Total	**3,599.42**

Note: Total borrowing costs is ₹ 3,640.25 out of which, ₹ 40.83 lakhs allocated to fixed assets / capital work in progress.

NOTE 35: INCOME TAX EXPENSE

a) This note provides an analysis of the Group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

i) Income tax related to items recognised directly in profit or loss of the Statement of Profit and Loss

Particulars		As at March 31, 2023
Current tax		
Current tax on profits for the year		435.59
	(A)	**435.59**
Deferred tax		
Decrease/(increase) in deferred tax assets#		339.16
(Decrease)/increase in deferred tax liabilities		(427.92)
	(B)	**(88.76)**
Income tax expense charged to profit or loss (C) = (A) + (B)		**346.83**

ii) Deferred tax related to items recognized in other comprehensive income (OCI)

Particulars	As at March 31, 2023
Deferred tax on remeasurement gains/(losses) on defined benefit plan	40.25
Deferred tax credited to other comprehensive income	**40.25**

b) The reconciliation of estimated income tax expense at the Indian statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

Particulars	As at March 31, 2023
Profit before income tax	1063.03
Tax at the Indian tax rate of 34.94% (March 31, 2022: 34.94%)	371.47
Expected tax expense at the enacted tax rate in India	
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:	
1) Non-deductible expenses	
CSR Expenditure and Donations	27.09
Other items	4.49
2) Tax benefit items	(7.81)
3) Re-measurement of Deferred tax assets / Deferred tax liabilities	(48.41)
Income tax expense charged to the statement of profit and loss	**346.83**

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 36: FAIR VALUE MEASUREMENTS

Financial instruments by category:

Financial assets	Note	As at March 31, 2023 Amortised cost	FVTPL
Trade receivables	11	10,404.75	-
Margin money deposits with banks	13	1,312.21	-
Cash and cash equivalents	12	908.80	-
Bank balances other than cash and cash equivalents above	6, 13	106.36	-
Security deposits	6, 15	227.56	-
Loans	5, 14	109.19	-
Interest accrued on fixed deposits	15	19.35	-
Total financial assets		**13,088.22**	**-**

Financial liabilities	Note	As at March 31, 2023 Amortised cost	FVTPL
Borrowings	18, 21	26,800.33	-
Trade payables	22	19,251.87	-
Payable for capital goods	19, 23	906.60	-
Interest accrued but not due on borrowings	23	116.20	-
Security deposits received	23	166.20	-
Lease liabilities	3(b)	774.02	-
Total financial liabilities		**48,015.22**	**-**

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV), NAV represents the price at which, the issuer will issue further units and will redeem such units of mutual funds to and from the investors.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the Group include foreign exchange forward contracts.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

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There are no internal transfers of financial assets and financial libilities between Level 1, Level 2, Level 3 during the period. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of the reporting period.

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	As at March 31, 2023		
	Level 1	Level 2	Level 3
Financial assets			
Margin money deposits with banks	-	-	1312.21
Security deposits	-	-	227.56
Loans	-	-	109.19
Interest accrued on fixed deposits	-	-	19.35
Financial liabilities			
Borrowings	-	-	26800.33
Interest accrued but not due on borrowings	-	-	116.20
Security Deposits received	-	-	166.20

Financial assets and liabilities measured at amortised cost	As at March 31, 2023	
	Carrying Amount	Fair Value
Financial assets		
Security deposits	227.56	245.34

The carrying amounts of trade receivables, cash and cash equivalents, fixed deposit having maturity period upto 12 months and its interest accrued, export benefits receivable, current loans, current borrowings, trade payables and other financial liabilities are considered to be approximately same as their value, due to the short -term maturities of these financial assets/liabilities.

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Valuation techniques used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of foreign exchange forward contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 37 : CAPITAL MANAGEMENT

Risk management

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The Group determines the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and other long term borrowings. The Group's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

For the purpose of the Group's capital management, equity includes paid up capital, securities premium and other reserves. Net debt are long term and short term interest bearing debt as reduced by cash and cash equivalents, other bank balances (including earmarked balances) and current investments. The Group's strategy is to maintain a gearing ratio within 2:1.

The capital composition is as follows:

Particulars	As at March 31, 2023
Gross debt (inclusive of long term and short term borrowing)	27,574.35
Less: - Cash and bank balances	908.80
Net debt	**26,665.55**
Total equity	**42,024.81**
Total capital	**68,690.36**
Net debt to equity ratio	**0.63**

Loan covenants

Bank loan agreements contain certain debt covenants relang to limitation on indebtedness, debt-equity ratio, debt service coverage ratio and fixed assets coverage ratio. The lower than mandated debt service coverage ratio has no implications on the cash flows as the Group complies with and satisfies all other conditions in the respective sanction of the banks.

NOTE 38 : FINANCIAL RISK MANAGEMENT

The Group's activities are exposed to market risk, liquidity risk and credit risk which may adversely impact the fair value of its financial instruments. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian Rupee (₹)	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk – security prices	Investments in Bonds	Sensitivity analysis	Portfolio diversification

The Group's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Group's treasury team identifies, evaluates and hedges financial risks in close cooperation with the Group's respective department heads. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments, non derivative financial instruments and investment of excess liquidity.

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to the Consolidated Financial Statements for the Year ended March 31, 2023

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A. Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, investments in mutual funds, foreign exhange transactions and other financial instruments. The credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. To manage this, the Group periodically assesses the financial reliability of counter party, taking into account the financial condition, current economic trends, analysing the risk profile of the counter party and the analysis of historical bad debts and ageing of accounts receivable etc. Individual risk limits are set accordingly.

The Group determines default by considering the business environment in which the Group operates and other macro-economic factors. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

iv) Significant increase in credit risk on other financial instruments of the same counterparty;

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

None of the financial instruments of the Group result in material concentration of credit risk. The carrying value of financial assets represent the maximum credit risk. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group.

i) Trade receivables

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. Credit risk is managed through credit approvals, establishing credit limits, payment track record, monitoring financial position of the customer and other relevant factors. Outstanding customer receivables are regularly monitored and reviewed.

The Group evaluates the concentration of risk with respect to trade receivables as limited, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The exposure to customers is diversified and no substantial concentration of risk as no single customer contributes more than 10% of revenue and of the outstanding receivables. Sales made in domestic market predominantly are through agents appointed by the Group, the agents being del credere agents most of the credit risk emanating thereto is borne by agents and the Group's exposure to risk is limited to sales made to customers directly. In case of direct sale, the Group has a policy of dealing only with credit worthy counter parties. The credit risk related to such sales are mitigated by taking advance, security deposit, letter of credit, setting and monitoring internal limits on exposure to individual customers as and where considered necessary. An impairment analysis which includes assessment for indicators of impairment is performed at each reporting date on an individual basis for all major customers and provision for impairment taken. The allowance reduces the net carrying amount.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics.The expected loss rates for trade receivables has been computed based on reasonable approximation of the loss rates and paste trend of outstanding debtors

(All amounts in ₹ Lakhs, unless otherwise stated)

A. Trade receivables

Loss allowance as at 31 March 2023 was determined as follows for trade receivables and contract assets under the simplified approach:

As at 31 March 2023	Not Due	0 - 30 days	31 - 60 Days	61 - 90 Days	91 - 180 Days	181-360 Days	Over 360 Days	Total
Gross carrying amount	7,966.32	1,843.80	182.38	106.20	291.84	55.34	21.40	**10,467.28**
Expected loss rate	0.00%	0.30%	1.23%	3.24%	4.29%	31.25%	100.00%	-
Expected credit losses	-	5.62	2.24	3.44	12.53	17.30	21.40	**62.53**
Carrying amount (net of impairment)	7,966.32	1,838.18	180.14	102.76	279.31	38.04	-	**10,404.75**

Reconciliation of loss allowance provision of trade receivables :

Particulars	As at March 31, 2023
Loss allowance - opening	165.97
Increase in loss allowance recognised in profit or loss during the year	-
Receivables written off during the year as uncollectible	31.87
Unused amount reversed	71.57
Loss allowance - closing	**62.53**

ii) Financial Instruments and Cash Deposits

The Company maintains exposure in Cash and Cash equivalents, term deposits with banks and investments in mutual funds, the same is done after considering factors such as track record, size of the institution, market reputation and service standards. Generally, the balances are maintained with the institutions from whom the Company has also availed borrowings. Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit risk and concentration of exposure are actively monitored by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

iii) The ageing analysis of the trade receivables (other than due from related parties) has been considered from the date the Invoice falls due.

Particulars	As at March 31, 2023
Not due	7,756.33
Up to 6 months	2,424.22
More than 6 months	76.74
Total	**10,257.29**

B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations, by delivering cash or other financial assets, on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade and other payables, derivative instruments and other financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate cash and drawable reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The Company regularly monitors liquidity position through rolling forecast based on estimated free cash flow generated from business. The Company invests its surplus funds in bank fixed deposits and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

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(All amounts in ₹ Lakhs, unless otherwise stated)

i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023
Floating rate	
- Expiring within one year (Packing credit, cash credit, post shipment credit and term loans	7,443.99
- Expiring beyond one year (Term Loans)	-
Total	**7,443.99**

The working capital facilities may be drawn at any time and may be terminated by the bank without notice.

ii) Maturities of Financial labiliities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non derivative financial liabilities, and

- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at March 31, 2023	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long term borrowings	5,772.19	15,162.37	-	20,934.56
Short term borrowings	5,865.77	-	-	5,865.77
Interest accrued and not due	116.20	-	-	116.20
Lease liabilities	602.84	171.18	-	774.02
Trade payables	19,251.87	-	-	19,251.87
Other financial liabilities	830.52	242.28	-	1,072.80
Total	**32,439.39**	**15,575.83**	**-**	**48,015.22**

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity or commodity prices will affect the Group's income/cash flows or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of postemployment benefit obligations provisions and on the non-financial assets and liabilities. Financial instruments affected by market risk include receivables, loans and borrowings, advances, deposits, investments and derivative financial instruments. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

The Group's activities expose it to risks on account of changes in foreign currency exchange rates and interest rates.

The Group uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract as a risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

Foreign currency risk

Currency risk is the risk that the fair value of a financial instrument or future cash flows fluctuate because of changes in market price of the functional currency. The Company is exposed to foreign exchange risk on their receivables, payables and foreign currency loans which are mainly held in the United State Dollar ("USD"), the Euro ("EUR"), British Pound ('GBP'), the Australian Dollar ("AUD"), the Swiss Franc ("CHF") and Japanese Yen ("JPY"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("[1] ") relative to the USD, the EUR, the CHF, and the CNY may change in a manner that has a material effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policy wherein exposure is identified, a benchmark is set and monitored closely for suitable hedges, including minimising cross currency transactions, using natural hedge and the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

The Group's exposure to foreign currency risk at the end of the reporting period are as under -

	As at March 31, 2023 Foreign Currency exposure in					
	USD	EUR	GBP	JYP	AUD	CHF
Financial assets						
- Trade receivables	5919.64	906.50	185.18	-	-	-
- Advance to Suppliers	578.20	17.18	-	47.18	-	-
- Capital advances	152.62	123.30	-	-	-	1.78
- Cash and Cash equivalents	107.46	-	-	-	-	-
- Other financial assets	44.22	55.33	-	-	-	-
Net exposure to foreign currency risk (Assets)	**6,802.14**	**1,102.32**	**185.18**	**47.18**	**-**	**1.78**
Financial liabilities						
- Buyers credit from banks	305.26	-	-	-	-	-
- Trade payables	5,233.49	130.49	10.03	-	16.73	-
- Creditors for Capital Purchases	-	491.67	-	-	-	-
- Advance from Customers	378.43	24.55	-	-	-	-
Net exposure to foreign currency risk Liabilities)	**5,917.18**	**646.71**	**10.03**	**-**	**16.73**	**-**
Net open exposure	**884.96**	**455.61**	**175.15**	**-**	**(16.73)**	**1.78**

* The net open exposure as at March 31, 2023 excludes export stock in transit of ₹ 1,013.98 lakhs.

Sensitivity to foreign currency risk

The following table demonstrates the foreign exchange sensitivity by assuming rates shift in the USD, EUR, CHF, GBP, JPY, CHF and other currencies with all other variables held constant. The impact below on the Group's profit/equity before considering tax impact is due to changes in the fair value of unhedged foreign currency monetary assets and liabilities at balace sheet date:

Currencies / Sensitivity	As at March 31, 2023	
	Increase by 5%	Decrease by 5%
	Gain / Loss	
USD	44.25	(44.25)
EUR	22.78	(22.78)
GBP	8.76	(8.76)
JPY	2.36	(2.36)
AUD	(0.84)	0.84
CHF	0.09	(0.09)

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

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II Interest rate risk

This refers to risk to the fair value or future cash flows of a financial instrument on account of movement in market interest rates.

For the Group, the interest risk arises mainly from debt obligations, both short term and long term with floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate.

III Cash flow and fair value interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like vendor bill discounting, suppliers' and buyers' credit. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. As the Group does not have exposure to any floating interest bearing assets, its interest income and related cash flows are not affected by changes in the market interest rates.

a) Interest rate risk exposure:

Particulars	As at March 31, 2023
Variable rate borrowings	24,095.07
Fixed rate borrowings	2,705.26
Total borrowings	**26,800.33**

As at the end of the reporting period, the Group had the following variable rate borrowings:

Particulars	As at March 31, 2023		
	Weighted average interest rate	Balance	% of total loans
Borrowings - Term Loan	9.21%	24,095.07	90%
Net exposure to cash flow interest rate risk		**24,095.07**	

b) Interest rate Sensitivity

The following table illustrates the sensitivity of profit and equity before considering tax impact to a reasonably possible change in interest rate of 50 basis point increase or decrease. The calculations are based on the risk exposures outstanding at the balance sheet date.

Particulars	Impact on Profit
	As at March 31, 2023
Interest rates - increase by 50basis points*	(120.48)
Interest rates - decrease by 50basis points*	120.48

*Holding all other variables constant including change in interest subsidy

NOTE 39: CONTINGENT LIABILITY DISCLOSURE

Particulars	As at March 31, 2023
Excise, Customs and Service Tax Matters	1,100.21
Income Tax Matters	6.32
Claims against Company not acknowledged as debts	488.27

The Hon'ble Supreme Court of India, through a ruling in February 2019, provided interpretation on the components of salary on which the Group and its employees are to contribute towards provident fund under the Employee's Provident Fund Act. Based on the current evaluation, the Group believes it is not probable that certain components of salary paid by the Group will be subject to contribution towards provident fund due to the Supreme Court order. The Group will continue to monitor and evaluate its position based on future events and developments.

Notes:

(a) It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Group does not expect any reimbursements in respect of the above contingent liabilities.

Description of contingent liabilities:

Excise, GST, customs and service tax matters

The Group has ongoing disputes with tax authorities mainly relating to availment of input tax credit on certain items and classfication of finished goods.

Income tax matters

The Group has ongoing disputes with Income tax authorities relating to tax treatment of certain items. These mainly includes disallowed expenses, claimed by the Group as deductions.

Claims against Group not acknowledged as debts

Represent claims disputed by the Group wherein the Group has filed application for dismissal of the matters.

NOTE 40: CAPITAL AND OTHER COMMITMENTS

Particulars		As at March 31, 2023
(a)	Capital Commitments	
	Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	1,576.79
(b)	Other Commitments	
	Custom duty on pending export obligation for import under Advance License and EPCG scheme	475.79

NOTE 41: EARNINGS PER SHARE

Particulars	Year ended As at March 31, 2023
Profit after tax (A) (₹ in lakhs)	716.20
Weighted average number of equity shares outstanding during the year (B)	50,268,023
Weighted average number of equity shares for basic earning per share	50,268,023
Adjustements for dilluted earning per share - options	501,853
Weighted average number of equity shares for diluted earning per share (C)	50,769,876
Basic earnings per share (A)/(B)	1.42
Diluted earnings per share (A)/(C)	1.41
Nominal value of an equity share (₹)	10.00

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 42: DISCLOSURE FOR MICRO, MEDIUM AND SMALL ENTERPRISES

Particulars	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,488.68
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	101.73
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	7,374.47
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	48.04
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-
Interest accrued and remaining unpaid at the end of each accounting year	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	101.73

NOTE 43: DISCLOSURE PURSUANT TO THE REGULATION 34(3) READ WITH PARA A OF SCHEDULE V OF SEBI LISTING REGULATIONS, 2015

There are no loans and advances, in the nature of loans to firms/ companies in which directors are interested outstanding during the year ended March 31, 2023.

NOTE 44: RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue research and development expenses incurred during the year, debited to the Statement of Profit and Loss account are ^{1} 1001.81 lakhs which include materials cost, power cost, employee cost.

There was no capital expenditure incurred during the year for research and development.

NOTE 45: OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

There are no financial assets or financial liabilities which are subject to offsetting as at March 31, 2023 since the Group neither has enforceable right or an intent to settle on net basis or to realise the asset and settle the liability simultaneously. Further, the Group has no enforceable matters netting arrangements and other similar arrangements as at March 31, 2023.

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 46: RELATED PARTY DISCLOSURES

(i) Relationships

Holding Company	Mandawewala Enterprises Limited
Key Management Personnel	Mr. Abhishek Mandawewala (Managing Director & CEO) Mrs. Khushboo Mandawewala (Whole Time Director) Mr. Himanshu Dhaddha (Chief Financial Officer)
Independent Directors	Mr. Atul Desai Mr. K H Vishwanathan Mr. Mohan Tandon
Other Related parties	Mertz Estates Limited RRM Enterprises Private Limited Welspun Global Brands Limited Welspun Flooring Limited Welspun India Limited

(ii) Terms and conditions

- All transactions were made on normal commercial terms and conditions and at market rates.
- All outstanding balances are unsecured and repayable in cash.

Particulars	Holding Company	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year					Key Management Personal	Independent Directors
	Mandawewala Enterprises Limited	Mertz Estates Limited	RRM Enterprises Private Limited	Welspun India Limited	Welspun Flooring Limited	Welspun Global Brands Limited		
Transactions during the year								
Intercorporate deposits received			1,200.00					
Cross charge	14.31							
Interest expense	-		205.35					
Short term employee benefit							313.96	
Stock Options							31.20	
Loan advanced							-	
Loan repaid							11.00	
Director sitting fees								14.49
Purchase of goods/services/ expenses incurred	3.13	221.25		45.51	55.26	3,579.92		
Sale of goods				452.84	1,914.64			
Closing balance								
Intercorporate deposits received			2,400.00					
Interest accrued			47.93					
Debtors				28.12	181.87			
Creditors					123.73	115.94		

*All amount is inclusive of taxes

NOTES

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(All amounts in ₹ Lakhs, unless otherwise stated)

Note 47: Segment information

i) Information about primary business segment identiûcation of segments:

The Group is engaged in the business of Synthetic Yarn which in the context of Ind AS 108 on segment reporting are considered to constitute single primary business segment.

The chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decision about proût or loss in the ûnancial statements, Operating segment have been identiûed on the basis of geographical segment and other quantitative criteria speciûed in the Ind AS 108.

(i) Segment revenue :

The segment revenue is measured in the same way as in the Statement of Profit or Loss.

Segment Revenue	2023		
	India	Outside India	Total
Total segmental revenue*	**78,058.44**	**67,719.78**	**145,778.22**

*excluding other income

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from outside India	Year ended As at March 31, 2023
Australia and New Zealand	16,713.41
European Union	10,988.07
U.S.A	25,144.24
U.K.	1,804.05
Others	13,070.01
Total	**67,719.78**

(ii) Segment assets :

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Segment Assets	As at March 31, 2023		
	India	Outside India	Total
Carrying amount of segment assets	73,535.85	9,045.11	82,580.96
Additions to non-current assets#	65,48.09	-	6,548.09
Total segment assets	**80,083.18**	**9,045.11**	**89,129.05**
Unallocated:			
Right-of-use assets	-	-	730.88
Deferred tax assets (net)	-	-	1,995.82
Income tax assets (net)	-	-	180.37
Balancesheet Assets			**92,036.12**

Additions to non-current assets also includes expenditure incurred on capital work-in-progress.

(All amounts in ₹ Lakhs, unless otherwise stated)

(iii) Segment liabilities :

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment and the physical location of the liability.

Segment Liabilities	As at March 31, 2023		
	India	Outside India	Total
Carrying amount of segment liabilities	16,148.24	6,285.40	22,433.64
Total segment liabilities	**16,148.24**	**6,285.40**	**22,433.64**
Unallocated:			
Borrowings	-	-	26,800.33
Lease liabilities	-	-	774.02
Income Tax Liabilities (net)	-	-	3.32
Balancesheet Liabilities			**50,011.01**

Additions to non-current liabilities also includes external commercial borrowings (ECB).

NOTE 48: EMPLOYEE STOCK OPTION PLAN DISCLOSURE FOR IND AS

The Group has formulated employee share-based payment schemes with objective to attract and retain talent and align the interest of employees with the Group as well as to incentivize and motivate them to contribute to its growth and profitability. At present two share-based payment schemes are in existence.

1) AYM Employee Stock Option (AYMSOP 2018) was approved by shareholders at Extra Ordinary general meeting in 2018.

2) AYM Employee Stock Option Scheme 2021 (AYM ESOP SCHEME 2021) was approved by the shareholders through postal ballot on March 05, 2021. Details of these employee share-based schemes are given below:

Persons covered under this scheme include all permanent employees working in India or out of India, whole time and other directors.

The schemes however exclude employee outside india who is an employee of a subsidiary, holding or associate of the Group,promoters or person belonging to the Promoter group, promoter director, director holding directly or indirectly more than 10% of the outstanding share of the Group.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options shall not be less than face value of equity share and shall not exceed market price of the equity share of the Group as on the date of grant of Option.

AYM Employee Stock Option (AYMSOP 2018)

The Grant date is August 13, 2018

Vesting Proportion	Date of vesting
10% of the options granted	13-Aug-19
10% of the options granted	13-Aug-20
20% of the options granted	13-Aug-21
20% of the options granted	13-Aug-22
40% of the options granted	13-Aug-23

Set out below is a summary of options granted under the plan

	As at March 31, 2023	
	Average exercise price per share option (₹)	Number of Option
Opening balance	10	315,600
Granted during the year	-	-
Exercised during the year	10	102,680
Cancelled during the year	10	7,560
Closing balance		**205,360**

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2023 was ₹ 86.53 per share.

Weighted average remaining contractual life of options outstanding at end of period	1.37 years

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to the Consolidated Financial Statements for the Year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

No option expired during the periods covered in the above tables.

The fair value at grant date of options granted was ₹4 1.20

The fair value at grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model input for the option granted during the year ended March 31, 2023 included:

a) options are granted for no consideration and vest upon completion of minimum employment of one year from the date of grant. Vesting options will be subject to continued employment with the Group. Vested options are exercisable for a period of one year after vesting.

b) Exercise price:	₹ 10
c) Grant date:	August 13, 2018
d) expiry date:	August 13, 2024
e) Share price at the grant date:	₹ 41.2
f) expected price volatility of the Group's shares:	41.22%
g) expected dividend yield:	0.00%
h) risk free interest rate:	7.61%

The expected price volatility is based on historic volatility (Based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

AYM ESOP SCHEME 2021 Grant -1

The Grant date is April 24, 2021

Vesting Proportion	Date of vesting
10% of the options granted	24-Apr-22
10% of the options granted	24-Apr-23
20% of the options granted	24-Apr-24
20% of the options granted	24-Apr-25
40% of the options granted	24-Apr-26

Once vested, the option remains excercisable for a period of one year and expire thereafter.

The fair value at grant date of options granted was ₹ 43.50

Set out below is a summary of options granted under the plan

	As at March 31, 2023	
	Average exercise price per share option (₹)	Number of Option
Opening balance	10	600,000
Granted during the year	-	-
Exercised during the year	10	60,000
Cancelled during the year	-	-
Closing balance	**-**	**540,000**

No option expired during the periods covered in the above table.

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2023 was ₹ 133.38 per share.

Weighted average remaining contractual life of options outstanding at end of period	3.07 years

(All amounts in ₹ Lakhs, unless otherwise stated)

The model input for the option granted during the year ended March 31, 2023 included:

a) options are granted for no consideration and vest upon completion of minimum employment of one year from the date of grant. Vesting options will be subject to continued employment with the Group. Vested options are exercisable for a period of one year after vesting.
b) Exercise price: ₹ 10
c) Grant date: April 24, 2021
d) Expiry date: April 24, 2027
e) Share price at the grant date: ₹ 43.50
f) Expected price volatility of the Company's shares: 64.09%
g) Expected dividend yeild: 0.00%
h) Risk free interest rate: 4.15%

The expected price volatility is based on historic volatility (Based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

AYM ESOP SCHEME 2021 Grant -2

The Grant date is January 29, 2022

Vesting Proportion	Date of vesting
10% of the options granted	29-Jan-23
10% of the options granted	29-Jan-24
10% of the options granted	28-Jan-25
15% of the options granted	28-Jan-26
15% of the options granted	28-Jan-27
40% of the options granted	28-Jan-28

Set out below is a summary of options granted under the plan

	As at March 31, 2023	
	Average exercise price per share option (₹)	Number of Option
Opening balance	10	390,000
Granted during the year	-	-
Exercised during the year	10	37,000
Cancelled during the year	10	20,000
Closing balance	**-**	**333,000**

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2023 was ₹ 62.17 per share.

Weighted average remaining contractual life of options outstanding at end of period	3.56 years

No option expired during the periods covered in the above table.

The fair value at grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model input for the option granted during the year ended March 31, 2023 included:

a) options are granted for no consideration and vest upon completion of minimum employment of one year from the date of grant. Vesting options will be subject to continued employment with the Group. Vested options are exercisable for a period of one year after vesting.
b) Exercise price: ₹ 10
c) Grant date: January 29, 2022
d) Expiry date: January 27, 2029
e) Share price at the grant date: ₹ 136.95
f) Expected price volatility of the Group's shares: 53.48%
g) Expected dividend yield: 0.00%
h) Risk free interest rate: 4.45%

The expected price volatility is based on historic volatility (Based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

NOTES
to the Consolidated Financial Statements for the Year ended March 31, 2023
(All amounts in ₹ Lakhs, unless otherwise stated)

Expenses arising from share-based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expenses were as follow:

	31-Mar-23
Employee-share based expense	216.38

Note 49: Other regulatory information required by Schedule III

(i) No proceedings have been initiated on or are pending against the Group as at March 31, 2023 for holding benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) The Group has borrowings from banks on the basis of security of current assets. The quarterly returns filed by the Group with banks are in agreement with the books of accounts.

(iii) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) 1. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

2. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vi) There is no income surrendered or transaction disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(viii) The borrowings obtained by the Group from banks have been applied for the purposes for which such loans were was taken.

NOTE 50: ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III IN RESPECT OF SUBSIDIARY

Name of the Entity	Net assets (total assets minus total liabilities)		Share of profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated other comprehensive income	Amount (₹ in lakhs)	As % of consolidated total comprehensive income	Amount (₹ in lakhs)
Parent								
AYM Syntex Private Limited								
March 31, 2023	100.00%	42,025.35	100.00%	716.74	100.00%	74.92	100.00%	791.66
Subsidiary								
AYM Textiles Private Limited								
March 31, 2023	0.00%	0.46	-0.08%	(0.54)	0.00%	-	0.00%	-
March 31, 2023 (Total)	100.00%	42,024.81	100.00%	716.20	100.00%	74.92	100.00%	791.12

NOTE 51: EVENTS OCCURRING AFTER THE REPORTING DATE

No adjustments on account of events occuring after the reporting date have been identified to the figures reported.

Signatures to Notes to Financial Statements

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

Pankaj Khandelia
Partner
Membership No. 102022

Place: Mumbai
Date: May 05, 2023

For and on behalf of the Board of Directors

Rajesh Mandawewala
Chairman
DIN 00007179

Abhishek Mandawewala
CEO and Managing Director
DIN 00737785

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

Corporate Information

BOARD OF DIRECTORS

Rajesh Mandawewala
Chairman & Non-Executive Director

Atul Desai
Lead Independent Director

KH Viswanathan
Independent Director

Mohan Tandon
Independent Director

Abhishek R. Mandawewala
Managing Director & CEO

Khushboo Mandawewala
Whole-time Director

KEY MANAGERIAL PERSONNEL

Abhishek R. Mandawewala
Managing Director & CEO

Khushboo Mandawewala
Whole-time Director

Himanshu Dhaddha
Chief Financial Officer

Ashitosh Sheth
Company Secretary

BANKERS

Bank of Baroda
Central Bank of India
Bank of India
HDFC Bank
IDBI Bank Limited
Indian Bank
Karur Vysya Bank
Qatar National Bank SAQ
Shinhan Bank
State Bank of India

STATUTORY AUDITORS

Price Waterhouse Chartered Accountants LLP

REACH US

Manufacturing Facilities

Silvassa
U.T. of Dadra & Nagar Haveli

Naroli
U.T. of Dadra & Nagar Haveli

Palghar
Maharashtra

Registered Office

Survey No. 374/1/1, Village Saily,
Silvassa, U.T. of Dadra and Nagar Haveli,
396230, India

Corporate Office

Trade World, B/9
Kamala Mills Compound
Lower Parel (W)
Mumbai- 400 013

Registrar and Transfer Agents

Link Intime India Private Limited
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai – 400 083

AYM Syntex

THE STRENGTH WITHIN

AYM Syntex Limited

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