



CS HITESH J. GUPTA B.COM, ACS

PRACTISING COMPANY SECRETARY

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To,
Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Dear Sir,

Sub: Application for "In-principle approval" for issue and allotment of 77,67,828 Equity Shares to be issued on a preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Hitesh J. Gupta, Practising Company Secretary have verified the relevant records and documents of AYM Syntex Limited ("Issuer/Company") with respect to the proposed preferential issue by the Company as per Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and I hereby certify that:

A. The Details of pre-preferential shareholding of the proposed allottees in the Company w.r.t. issuance and allotment of 77,67,828 Equity Shares on preferential basis ("Preferential Issue") are as follows:

Name of the Proposed Allottee	Pre-Holding Quantity	Whether pre-preferential shareholding in physical / demat
Hardik Pradeep Agrawal (Partner of Ace Investments)	-	Demat
Divyanshi Agrawal	-	Demat
Krimali Thakkar	-	Demat
Mukul Agrawal	-	Demat
Saranya Agrawal	-	Demat
Vijay Khetan	-	Demat
Riddhesh Ram Gandhi HUF	-	Demat
Nisarg Vakharia	-	Demat
Sangeeta Jain	-	Demat
Sushmita Kacholia	-	Demat
Chanakya Wealth Creation Fund	-	Demat



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GP Emerging Market Strategies L.P.	-	Demat
Hetal Dimple Shah	-	Demat
Jay Girish Thakkar	-	Demat
Nimit Tanna	28,700	Demat
Nishit Ratan Rathi	-	Demat
Pragma Fund SPC Equities Segregated Portfolio	-	Demat
The RAM Fund L.P.	-	Demat
Sanjay Kabra	-	Demat
University of Notre Dame Du Lac	-	Demat
Utpal Sheth	-	Demat
RRM Enterprises Private Limited	-	Demat
Rajesh R. Mandawewala (RRM Family Trust)	5,00,000	Demat

B. Pricing Methodology adopted for the proposed Preferential issue along with detailed working of the same or Valuation report from independent registered valuer:

Based on the pricing formula prescribed under Regulation 164 / 165 of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 has been worked out at Rs. 156/-, however since the preferential issue will result in allotment of more than 5% of the post issued fully diluted capital, the Company had appointed TPG & Co. Chartered Accountants, registered valuer as per Regulation 166A of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the price identified by the valuer is Rs. 176/-, which is higher than the floor price as determined under Regulation 164 of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**valuation report attached**), further the issue price of equity shares proposed to be allotted on preferential basis is Rs.182.50/-.

The highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date on National Stock Exchange of India Limited.

Hitesh
Jagdamkumar
Gupta

Digitally signed by Hitesh
Jagdamkumar Gupta
Date: 2024.09.20 20:35:21
+05'30'

Hitesh J. Gupta
Practicing Company Secretary
M No. A33684
CP No. 12722
UDIN: A033684F001272900
Date: September 20, 2024
Place: Mumbai

16th September 2024

AYM Syntex Limited
**Recommendation of Fair Value of Equity Shares for
the purpose of Preferential allotment**

TPG & CO, CHARTERED ACCOUNTANTS
THANE

INDEX

AYM Syntex Limited

Recommendation of Fair Value for the purpose of Preferential Allotment

September 2024

Particulars	Page reference
Executive Summary	1 - 2
Company Background	3
- Key Management Team	3
- Shareholding Pattern	4
- Summary Consolidated Financial Statements	4 - 5
Key Applicable Provisions of SEBI ICDR Regulations	6 - 7
Valuation Standards Followed and Procedures Adopted	8
Approach & Methodology	9 - 11
Scope, Limitations, Assumptions, Qualifications, Exclusions and Disclaimer	12 - 14
Fair Value Conclusion	15
Annexure I - Minimum price as per regulation 164(1) - SEBI ICDR Regulations	16 - 18
Annexure II - Summary of Fair Value	19
Annexure III - Asset Approach - NAV	20
Annexure IV - Market Approach - CCM	21
Annexure V - Income Approach - DCF	22



Abbreviations forming part of the Report

NSE	National Stock Exchange of India Limited
BSE	BSE Limited
FY	Financial Year
INR	Indian Rupee
IBBI	The Insolvency and Bankruptcy Board of India
ICAI	The Institute of Chartered Accountants of India
IVS	ICAI Valuation Standards
UDIN	Unique Document Identification number
SEBI	The Securities & Exchange Board of India
ICDR	Issue of Capital and Disclosure Requirements
AYM	AYM Syntex Limited
TTM	Trailing Twelve Months
AOA	Articles of Association of the Company
EBIDTA	Earnings before Interest, Taxes, Depreciation and Amortisation
PBIT	Profit before Interest and Tax
PBT	Profit before tax
PAT	Profit after Tax
ESOP	Employee Stock Option Plan
CCM	Comparable Companies' Quoted Multiples
DCF	Discounted Cash Flows
NAV	Net Asset Value
VPS	Value per share
VWAP	Volume Weighted Average Price



Executive Summary	
Appointing Authority and purpose of Valuation	<p>We have been appointed by AYM Syntex Limited ('AYM'/ 'Company') to determine the Fair Value of Equity Shares as at 16th September, 2024 ('the Relevant Date'/ 'Valuation Date'), for the purpose of preferential issue of equity shares of the Company ('Transaction'), in compliance with regulations 164(1) and 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations ('SEBI ICDR Regulations').</p> <p>This report ('Valuation Report') sets out the findings of our valuation exercise.</p> <p>We refer to our Engagement Letter dated 6th September 2024 confirming our appointment as an independent valuer of equity shares of AYM.</p>
Identity of the valuer	I, Tejal Praful Gupta/ TPG, acting as a Registered Valuer for securities and financial assets (SFA), with IBBI having registration no. IBBI/RV/06/2018/10207 is involved in the valuation engagement.
Important Dates	Date of Appointment : 6 th September 2024 Relevant Date : 16 th September 2024 Valuation Date : 16 th September 2024 Valuation Report Date : 16 th September 2024
Disclosure of Valuer's Interest/Conflict, if any	We hereby declare that we are independent of AYM and have not been under any direct or indirect influence, which may affect the valuation exercise. We also state that we have no financial interest in AYM. We also confirm that this engagement shall be in compliance with the model code of conduct issued by IBBI vide valuation rules.
Standard of Value	<p><u>Fair Market Value</u></p> <p>A value of a business enterprise determined between a willing buyer and a willing seller both in full knowledge of all the relevant facts and neither compelled to conclude a transaction.</p>
Premise of Value	Going Concern
Valuation standards adopted	ICAI Valuation Standards, 2018 ('IVS') and SEBI ICDR Regulations



Inspection and/or Investigations undertaken	We have not undertaken any inspection and/ or investigation of the documents provided by the management of the Company ('Management') for carrying out the valuation of the equity shares of AYM.
Sources of the information used or relied upon	<p>The report has been prepared by us from publicly available information, desk research, published reports, proprietary databases and other data supplied by the Management which includes audited, limited reviewed financial statements/results of the Company, financial projections and significant underlying assumptions, the shareholding details of the Company including details of outstanding employee stock options and other sources believed to be reliable and true.</p> <p>Our scope of work does not include verification of data submitted by the Management and has been relied upon by us. The report should not be distributed, published, reproduced or used, without prior written consent from us, for any purpose other than the purpose stated above.</p> <p>During the discussion with the Management, we have also obtained explanations supporting the information considered reasonably necessary for our valuation exercise, The Company has been provided with an opportunity to review the draft report as part of our standard practice to make sure the factual inaccuracies/ omissions are avoided in our report.</p>
Major factors that were taken into account	Please refer to detailed calculation and assumptions in the Report and Annexures.
Restrictions on use of Report	<p>The Analysis is confidential and has been prepared exclusively for the specific purpose mentioned herein. It should not be used, reproduced or circulated to any other person or for any purpose other than as mentioned above, in whole or in part, without the prior written consent of TPG, other than the purpose for which it is prepared and for any regulatory or legal purpose.</p> <p>The Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.</p>
Conclusion	Based on the scope, assumptions and limitations of work, sources of information as described in the report and most importantly considering the purpose of valuation, the minimum price per equity share of AYM Syntex Limited, as per regulation 166A of SEBI ICDR Regulations, is INR 176.0/- per Equity Share.



Company Background

AYM Syntex Limited

AYM Syntex Limited, incorporated in 1983, is a leading manufacturer and exporter specializing in polyester filament yarn, nylon filament yarn and bulk continuous filament yarn. Originally, AYM Syntex Limited was co-promoted by Mr. B K Goenka and Mr. Rajesh Mandawewala, and formerly known as Welspun Syntex Limited. Later in 2015, the stakes previously held by the founding promoters and their associated group companies were transferred to Mr. Rajesh Mandawewala & Mr. B K Goenka ceased to be the promoter of the Company. Further the name of the Company was changed to AYM Syntex Limited with effect from 18th December 2015.

The Company operates state-of-the-art production facilities in Rakholi (Dadra & Nagar Haveli), Naroli (Dadra & Nagar Haveli) and Palghar (Maharashtra), where it manufactures a diverse range of high-quality yarn products.

The yarns produced at these facilities are widely used in various industries, serving applications in carpets, rugs, carpet tiles, narrow fabrics, sewing threads, bathmats, medical textiles, automotive textiles, and sportswear yarns, among others.

Exports play a significant role in AYM's revenue, contributing ~50% of the Company's overall revenue. Of these export revenues, a substantial revenue is derived from key international markets, including Australia, New Zealand, Europe, United States and United Kingdom.

Key Management Team

The Company is managed by promoters and following key management team:

Name	Designation
Mr. Rajesh Mandawewala	Chairman
Mr. Abhishek Mandawewala	CEO & Managing Director
Mr. Suyog Chitlange	Chief Financial Officer
Mr. Kaushal Patvi	Company Secretary



Shareholding Pattern

The issued and subscribed equity share capital of AYM as at 30th June 2024 is INR 50.7 crores consisting of 5,07,31,264 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

Particulars	No of Shareholders	No of Equity Shares [^]	% of Shareholding
Promoter & Promoter Group	2	3,72,34,927	73.4%
Public #	10,763	1,34,96,337	26.6%
Total	10,765	5,07,31,264	100.0%

[^] Face value INR 10 each

Includes institutions

Source: BSE & Management Information

The Management has represented that

- There are 3,34,000 ESOPs outstanding which are in the money as at current date.
- AYM does not have any warrants, options (other than stated above) or other convertible instruments issued and outstanding as at the Report Date.

Summary Consolidated Financial Statements

Income Statement

INR In Crores Particulars for the year ended	Audited FY22	Audited FY23	Audited FY24	Unaudited 30-Jun-24 TTM
Revenue from operations	1,493.1	1,461.4	1,358.8	1,386.5
Operating EBITDA	163.3	98.9	101.6	117.0
EBITDA%	10.9%	6.8%	7.5%	8.4%
Other non-operating income	2.8	4.3	6.3	5.3
Depreciation	(50.6)	(56.5)	(57.9)	(58.8)
PBIT	115.5	46.6	50.0	63.6
Finance cost	(35.9)	(36.0)	(42.0)	(44.8)
PBT	79.6	10.6	7.9	18.8
Exceptional item	-	-	(6.6)	3.9
PBT after exceptional items	79.6	10.6	1.3	22.7
Tax expenses	(28.8)	(3.5)	0.7	(6.9)
PAT	50.8	7.2	2.0	15.8
PAT%	3.4%	0.5%	0.2%	1.1%

Source: Public domain/ Management Information



Balance Sheet

INR in Crores Particulars as at	Provisional 30-Jun-24
Assets	
Non-Current Assets	
Property plant and equipment	486.4
Deferred tax asset	20.3
Other non-current assets	18.4
Current Assets	
Inventories	237.4
Trade receivables	138.3
Cash and bank	17.3
Other current assets	119.1
Total	1,037.2
Equity & Liabilities	
Net Worth	
Equity share capital	50.7
Other equity	375.7
Other Liabilities	
Debt	316.8
Lease Liabilities	16.5
Provisions	14.0
Trade Payables and acceptances	236.3
Other current liabilities	27.1
Total	1,037.2

Note: There are contingent liabilities amounting to INR 10.9 Cr. as at the Valuation Date.

Source: Management Information



Key applicable provisions of SEBI ICDR Regulations

Relevant ICDR regulations for determination of floor price are tabled below:

SEBI (ICDR) Regulations reference	Points	Extract of Relevant Provisions
164(1)	Pricing of frequently traded shares	<p>If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:</p> <ol style="list-style-type: none"> the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date. <p>Provided that if Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.</p>
164(5)	Frequently traded shares	<p>Frequently traded shares mean the shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer.</p>
Explanation to 164(5)	Stock Exchange	<p>For the purpose of this regulation, 'stock exchange' means any of the recognised stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date.</p>
166A(1)	Valuation Report from Registered Valuer	<p>Any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price</p>



Proviso to 166A (1)	Floor price	<p>Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable:</p> <p>Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:</p> <p>Provided further that the valuation report from the registered valuer shall be published on the website of the issuer and a reference of the same shall be made in the notice calling the general meeting of shareholders.</p>
161	Relevant Date	In case of preferential issue of equity shares, the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue.

We understand that this preferential issue will result in allotment of more than 5% of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert.

The equity shares of AYM are frequently traded as per the abovementioned SEBI ICDR Regulations.

Volume of Equity shares traded ('Volume') (A)	Total no. of equity shares during the relevant period (B)	Trading turnover (as a % of total equity shares listed during the relevant period) (A/B)
NSE		
2,79,18,530	5,07,31,264	55.0%
BSE		
27,62,369	5,07,31,264	5.4%

We have determined minimum price as per the abovementioned SEBI ICDR Regulations.

Trading Days	Volume	Turnover	Volume Weighted Average Price (VWAP)
90 Days	1,31,56,766	1,60,13,29,958	121.7
10 Days	6,08,204	9,48,87,606	156.0
Higher of the above			156.0

Note: Refer Annexure 1 below for detailed workings on VWAP



Valuation Standards Followed and Procedures Adopted

We have performed the valuation analysis, to the extent possible, in accordance with Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ('IVS').

In connection with this exercise, we have adopted the following procedures to carry out the valuation analysis:

- Requested and received following from the Management/ public domain, as available;
 - Audited financial statements of AYM for 4 years ended 31st March 2024
 - Unaudited financial statement for the period ended 30th June 2024 including trailing twelve months ending 30th June 2024
 - Financial Projections of AYM for four years and nine months ended 31st March 2029 and significant underlying assumptions
 - Shareholding pattern of AYM as at 30th June 2024 including outstanding employee stock options
- Discussions with the Management on understanding of AYM business and fundamental factors that affect its earning capacity including historical performance, future plans and prospects, etc;
- Obtained and analysed data available in public domain, as considered relevant by us;
- Obtained and analysed market prices of equity shares of AYM and industry peers;
- Undertook industry analysis;
 - Research of publicly available market data including economic factors and industry trends that may impact the valuation
 - Analysis of key trends and valuation multiples of comparable companies, using proprietary databases subscribed by us
- Selection of valuation approach and valuation methodology/ (ies), in accordance with IVS, as considered appropriate and relevant by us;
- Obtained Management Representation letter dated 16th September 2024;
- Referred SEBI ICDR Regulations.



Approach and Methodology

The three main valuation approaches are asset approach, income approach and market approach. There are several commonly used and accepted methods within the asset approach, income approach and market approach, for determining the fair value of equity shares, such as:

1. Asset Approach - Net Asset Value method
2. Income Approach - Discounted Cash Flows method
3. Market Approach
 - a. Market Price method
 - b. Comparable Companies Quoted Multiples method ('CCM')
 - c. Comparable Transaction Multiples method ('CTM')

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the company. In addition, this valuation will fluctuate with changes in prevailing market conditions and prospects, financial and otherwise of the company and other factors which generally influence the valuation of the company and its assets.

The application of any particular method of valuation depends upon the purpose for which the valuation is being done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of similar nature and our reasonable judgement, in an independent and bona fide manner based on our previous experiences of assignments of similar nature.

Asset Approach - Net Asset Value (NAV) Methodology

The asset base valuation technique is based on the value of underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated that is, it does not meet 'going concern' criteria or in case where the assets base dominates earning capability.

AYM is an operating entity and historical book value does not reflect intrinsic value of its business.

In the instant case, as the valuation premise is going concern basis and an actual realization of the operating assets is not contemplated, we have considered it appropriate to give nil weight to this approach.



Income Approach - Discounted Cash Flows ('DCF') Method

Income approach is a valuation approach that converts maintainable or future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted or capitalized) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

Under the DCF method, the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. Using the DCF analysis involves determining the following:

- ***Estimating future free cash flows:***

Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital – both debt and equity. Financial Projections have been provided by the Management and we have relied on the same for the valuation exercise.

- ***Appropriate discount rate to be applied to cash flows i.e. the cost of capital:***

The discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

DCF is more scientific and internationally accepted method for evaluating value of business. As the valuation is performed considering 'going concern' premise, we have used DCF method in our valuation exercise.

Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.

Market Price ('MP') Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations, where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market.



In the present case, since equity shares of AYM are listed on BSE and NSE and the shares are being frequently traded in terms of SEBI ICDR Regulations, we have used these Guidelines and calculated the volume weighted average price of equity shares of AYM during 90 days and 10 days from the Relevant Date. The higher of the above two average price i.e. 156 per share has been used for determination of minimum price.

Note: The shareholders' meeting is proposed to be held on 16th October 2024 for considering the preferential issue and hence the Relevant Date is considered as 16th September 2024 i.e. 30 days prior to the shareholders' meeting.

Comparable Companies' Quoted Multiple ('CCM')

Under CCM, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers incorporate all factors relevant to valuation. Further, relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

In this case, we have used EV/ EBIDTA multiple of comparable peer set after adjustment for Company specific factors. Operating EBIDTA has been considered for application of the above multiple in line with peers.

Comparable Companies' Transaction Multiple ('CTM')

Under this method, value of the equity shares of a company/ business is arrived at by using multiple derived from valuation in comparable companies as manifest through transaction valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

We have not used the comparable transactions multiple approach as there are no recent transactions in this industry, which are available in the public domain.

This valuation arrived, under the abovementioned methods could fluctuate with lapse of time, changes in prevailing market conditions and prospects, industry performance and general business and economic condition, financial and otherwise, of businesses/ companies, and other factors which generally influence the valuation of company and its assets.

To arrive at the total value available to the equity shareholders of the company, the enterprise value arrived as above, under the DCF/ CCM method for the Company is adjusted for, inter alia, the value of outstanding debt/ debt like, cash and surplus/ non-operating assets/ liabilities as deemed appropriate for the purpose of our valuation exercise.



Scope, Limitations, Assumptions, Qualifications, Exclusions and Disclaimers

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, financial / tax due diligence, consulting or tax related services.

Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

This Report, its contents and the results herein are specific to:

- (i) the purpose of valuation agreed as per the terms of our engagement;
- (ii) the date of this Report;
- (iii) the Financial Projections including significant underlying assumptions of AYM as at current date and other information provided by the Management till today.

Other than as stated above, the Management has represented that the business activities of AYM have been carried out in the normal and ordinary course between 30th June 2024 and the Report Date and no material adverse change has occurred in the operations and financial position between 30th June 2024 and the Report Date.

An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of the date hereof. Events and transactions occurring after the date hereof may affect this Report and the assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this Report.

In the ultimate analysis, valuation will have to capture the exercise of judicious discretion by the Valuer and judgment taking into accounts all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, clientele/ customer base, segments, size of the company, earnings, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions.

The recommendation rendered in this Report is based on information furnished by AYM (or their executives/ representatives) and other sources and the said recommendation shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this Report.



The determination of Fair Value is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. While we have provided our recommendation of the fair value based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion.

In the course of the valuation exercise, we were provided with both written and verbal information, including financial and operating data.

In accordance with the terms of our respective engagements, we have assumed and relied upon, without independent verification:

- (i) the accuracy of the information that was publicly available and formed a substantial basis for this Report; and
- (ii) the accuracy of the information made available to us by AYM.

In accordance with our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information of AYM, provided to us. We have not independently investigated or otherwise verified the data provided by AYM. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the audited financial statements/ provisional income statements/ financial projections and statements of assets and liabilities. Also, with respect to explanations and information sought from AYM, we have been given to understand by them that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information given by/on behalf of AYM and reliance on publicly available information. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/ results. Accordingly, we assume no responsibility for any errors in the information furnished by and on behalf of AYM and their impact on the Report. Nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the Report. Also, we assume no responsibility for technical information (if any) furnished by AYM.

The Report assumes that AYM complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the AYM will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/provisional financial statement of AYM. Our conclusion of value assumes that the assets and liabilities of AYM, reflected in its latest balance sheet remain intact as of the Report date.

We are not advisors with respect to legal, tax and regulatory matters for the Transaction.

No investigation of the Management claims to title of assets has been made for the purpose of this Report and the Management claims to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

The fee for the engagement is not contingent upon the results reported.



We owe responsibility to only the Boards of Directors of AYM that have appointed us under the terms of our Engagement Letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other advisor to the AYM. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the AYM, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners or employees, relating to the services provided in connection with the engagement set out in this Report shall exceed the amount paid to such Valuer in respect of the fees charged by it for these services.

We do not accept any liability to any third party in relation to the issue of this Report. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Transaction, without our prior written consent except for the disclosures to be made to relevant regulatory authorities including stock exchanges, SEBI etc.



Fair Value Conclusion

Particulars	Value per Share (VPS)	Annexure Reference
VPS as per regulation 164(1) of SEBI ICDR 2018	156.0	I
Fair Value per Share	176.0	II
Price calculated as per Articles of Association of the Company	N.A. #	
Higher of the above	176.0	
Minimum price per Equity Share as per Regulation 166A of SEBI ICDR	176.0	

Not applicable - Articles of Association is silent on the determination of floor price/ minimum price of shares issued on preferential basis.

Based on the above, minimum price per equity share of AYM Syntex Limited, as per Regulation 166A of SEBI ICDR Regulations is INR 176.

Respectfully submitted,

For TPG & Co
Chartered Accountants
ICAI FRN 141265W



Tejal Gupta
Proprietor
Membership No: 128157
Registered Valuer, SFA - IBBI/RV/06/2018/10207
UDIN : 24128157BKFONE9959



Annexure I – Minimum price as per Regulation 164(1) - SEBI ICDR Regulations

Trading Days	Volume	Turnover	Volume Weighted Average Price
90 Days	1,31,56,766	1,60,13,29,958	121.7
10 Days	6,08,204	9,48,87,606	156.0
Higher of the above			156.0

Note: Refer pages below for the workings



90 Days Volume Weighted Average Price Workings

Days	Date	Volume	Total Turnover
1	13-Sep-24	5,745	10,25,540
2	12-Sep-24	12,467	21,81,850
3	11-Sep-24	10,523	18,05,536
4	10-Sep-24	17,208	28,94,730
5	09-Sep-24	36,039	59,43,912
6	06-Sep-24	88,941	1,45,20,878
7	05-Sep-24	48,034	79,25,610
8	04-Sep-24	1,69,207	2,64,60,422
9	03-Sep-24	1,25,793	1,87,55,562
10	02-Sep-24	94,247	1,33,73,566
11	30-Aug-24	12,092	16,28,801
12	29-Aug-24	33,667	45,85,262
13	28-Aug-24	37,271	50,35,259
14	27-Aug-24	13,880	18,32,166
15	26-Aug-24	25,430	33,04,604
16	23-Aug-24	7,261	9,63,925
17	22-Aug-24	11,820	15,83,019
18	21-Aug-24	36,637	48,14,621
19	20-Aug-24	21,117	27,06,124
20	19-Aug-24	13,393	17,30,063
21	16-Aug-24	16,400	21,44,892
22	14-Aug-24	25,190	32,98,544
23	13-Aug-24	1,38,084	1,84,91,803
24	12-Aug-24	2,89,671	4,09,66,143
25	09-Aug-24	1,98,026	2,92,64,681
26	08-Aug-24	1,30,101	1,94,81,526
27	07-Aug-24	5,20,566	7,83,12,448
28	06-Aug-24	12,91,473	19,35,88,652
29	05-Aug-24	3,52,290	4,67,68,157
30	02-Aug-24	2,00,279	2,86,62,047
31	01-Aug-24	6,69,817	9,66,61,719
32	31-Jul-24	4,92,174	6,64,37,540
33	30-Jul-24	2,15,397	2,75,78,906
34	29-Jul-24	1,03,964	1,29,22,478
35	26-Jul-24	1,14,527	1,40,69,667
36	25-Jul-24	3,96,441	5,00,16,413
37	24-Jul-24	69,599	81,26,042
38	23-Jul-24	64,427	74,63,716
39	22-Jul-24	64,202	73,86,657
40	19-Jul-24	73,482	83,99,581
41	18-Jul-24	66,061	78,73,209
42	16-Jul-24	1,02,186	1,23,38,833

Days	Date	Volume	Total Turnover
43	15-Jul-24	75,736	90,43,702
44	12-Jul-24	66,767	79,37,492
45	11-Jul-24	2,16,367	2,65,27,831
46	10-Jul-24	1,46,737	1,71,53,891
47	09-Jul-24	88,306	1,01,90,141
48	08-Jul-24	1,32,617	1,56,08,151
49	05-Jul-24	4,02,520	4,81,18,247
50	04-Jul-24	4,07,299	4,68,64,952
51	03-Jul-24	2,94,294	3,25,49,711
52	02-Jul-24	2,61,397	2,87,61,291
53	01-Jul-24	8,23,270	8,96,20,561
54	28-Jun-24	1,13,121	1,12,55,236
55	27-Jun-24	6,09,054	6,14,10,993
56	26-Jun-24	1,35,207	1,33,67,589
57	25-Jun-24	1,84,035	1,77,49,992
58	24-Jun-24	1,92,541	1,93,64,102
59	21-Jun-24	4,28,913	4,31,25,811
60	20-Jun-24	37,653	35,78,791
61	19-Jun-24	32,684	30,69,663
62	18-Jun-24	41,669	39,98,952
63	14-Jun-24	43,285	41,83,821
64	13-Jun-24	1,88,234	1,80,29,455
65	12-Jun-24	44,760	42,12,066
66	11-Jun-24	45,199	42,14,928
67	10-Jun-24	39,243	36,65,893
68	07-Jun-24	62,998	59,03,390
69	06-Jun-24	1,20,756	1,10,31,948
70	05-Jun-24	35,560	30,84,796
71	04-Jun-24	1,31,072	1,14,18,109
72	03-Jun-24	3,03,420	2,88,99,010
73	31-May-24	4,90,981	4,61,37,312
74	30-May-24	29,048	24,43,155
75	29-May-24	18,661	15,84,951
76	28-May-24	29,015	24,74,614
77	27-May-24	42,278	36,21,640
78	24-May-24	1,17,208	1,00,61,752
79	23-May-24	20,070	17,75,699
80	22-May-24	17,828	15,93,777
81	21-May-24	28,214	25,47,646
82	18-May-24	1,508	1,37,217
83	17-May-24	29,289	26,77,871
84	16-May-24	13,569	12,40,233



85	15-May-24	74,162	68,12,047
86	14-May-24	27,518	24,38,395
87	13-May-24	19,973	17,21,841
88	10-May-24	23,429	20,07,894
89	09-May-24	36,611	32,28,372
90	08-May-24	17,561	15,59,925
Total		1,31,56,766	1,60,13,29,958
90 Days VWAP			121.7

10 Days Volume Weighted Average Price Workings

Days	Date	Volume	Total Turnover
1	13-Sep-24	5,745	10,25,540
2	12-Sep-24	12,467	21,81,850
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4	10-Sep-24	17,208	28,94,730
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9	03-Sep-24	1,25,793	1,87,55,562
10	02-Sep-24	94,247	1,33,73,566
Total		6,08,204	9,48,87,606
10 Days VWAP			156.0



Annexure II – Summary of Fair Value

Valuation Approach	Valuation Method	Value per share (VPS)	Weight	Annexure Reference
Asset Approach	NAV	83.7	0% ^	III
Market Approach	CCM	173.8	50%	IV
Income Approach	DCF	178.2	50%	V
Weighted Average VPS (Rounded)		176.0		

^ As the valuation premise is on a going concern basis and an actual realization of the operating assets is not contemplated, we have considered it appropriate to give nil weight to this approach.



Annexure III - Asset Approach - NAV

INR in Lakhs	30 th June 2024
Assets	
Property plant and Equipment	486.4
Deferred tax assets	20.3
Other non-current assets	18.4
Current assets	512.1
Total Assets	1,037.2
Less:	
Liabilities	
Debt	316.8
Lease liabilities	16.6
Provisions	14.0
Trade payables/ acceptances	236.3
Other current financial liabilities	27.0
Total Liabilities	610.7
NAV before adjustment	426.5
Less: Contingent liabilities	2.0
NAV after adjustment	424.5
Total number of shares	5,07,31,264
NAV per share	83.7



Annexure IV – Market Approach - CCM

Industry Peers	EV/ EBIDTA
Century Enka Limited	13.2
Filatex India Limited	12.6
Sarla Performance Fibers Limited	12.9
Valson Industries Limited	12.0
Average	12.7

Fair Value per Share of AYM under CCM

Particulars	INR Crores
Maintainable EBIDTA	117.0
EV/ EBIDTA Multiple	10.50
Enterprise Value	1,228.8
Adjustments	-
Add: Surplus assets	78.7
Less: Debt/ Debt like	(418.1)
Less: Contingent liabilities	(2.0)
Equity Value	887.4
Number of Diluted Shares	5,10,65,264
INR per share	173.8

Particulars as at Valuation Date	No of shares
Equity shares issued	5,07,31,264
ESOP granted/ in force	3,34,000
Total Diluted Equity Shares	5,10,65,264

Notes:

- Trailing twelve months June 2024 EBIDTA has been considered for application of multiple, in line with peers.
- EV/ EBIDTA multiple for industry peers has been discounted for high leverage of AYM as compared to peers.
- Surplus assets include free cash and bank, insurance claim receivable, capital work in progress, capital advances, interest receivable, asset held for disposal, cash receivable on account of exercise of stock options and deferred tax assets.
- Debt/ debt like includes acceptances, creditors for capital goods and interest accrued on loan.



Annexure V – Income Approach - DCF

Particulars	INR in Crores
Business Enterprise Value	1,289.1
Add: Surplus Assets	41.1
Less: Debt/ Debt like	(418.1)
Less: Contingent liabilities	(2.0)
Adjusted Equity value	910.1
Number of Diluted Shares ^	5,10,65,264
Value per share	178.2

^Refer table on page 21 for workings on number of diluted shares

Notes:

- Surplus assets include free cash and bank, insurance claim receivable, interest receivable, asset held for disposal and cash receivable on account of exercise of stock options.
- Debt/ debt like includes acceptances, creditors for capital goods and interest accrued on loan.
- Weighted average cost of capital of 12.5% has been used to discount the cash flows.
- We have assumed 5% as perpetuity growth rate for arriving at terminal value.

