

## BOARDS' REPORT

To,  
The Members,  
Fernway Textiles Limited  
Vadodara

Your Directors have pleasure in presenting their Report together with Annual Financial Statement for the year ended 31<sup>st</sup> March, 2020.

### 1. PERFORMANCE OF THE COMPANY

Particulars	(Amt Rs. in Lakh)	
	2019-20	2018-19
<b>Sales Turnover (Net)</b>	NIL	NIL
<b>Gross Profit / (Loss)</b>	(9.47)	(0.12)
Less: (A) Depreciation		
(B) Provision for taxation:		
(i) Current Tax	NIL	NIL
(ii) Deferred Tax	NIL	NIL
<b>Net Profit / (Loss)</b>	(9.47)	(0.12)

### 2. DIVIDEND

During the year under review, the Company has not carried out any business activities and due to loss, the Board of Directors has not recommended the dividend.

### 3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

As the Company has not declared / paid any dividend since incorporation of the Company and therefore, the provisions relating to transfer of unclaimed dividend to IEPF does not apply to the Company.

### 4. THE STATE OF AFFAIRS OF THE COMPANY

**REVIEW OF OPERATIONS:** During the year under review the Company has incurred losses of Rs. 9.47 Lakh. The status of the Company has been changed from Dormant Company to Active Company w.e.f. 22-08-2019.

(A)

(B) FINANCIAL HIGHLIGHTS:	(Amt Rs. in Lakh)
<u>Particulars</u>	<u>2019-20</u>
Sales Turnover (Net)	NIL
Gross Profit	(9.47)
Depreciation	NIL
Net Profit / (Loss)	(9.47)

(C) There is no change in the nature of the business of the Company.

### 5. MATERIAL CHANGES AND COMMITMENT, IF ANY

There are no other material changes and commitments affecting the financial position of the Company occurred from 1<sup>st</sup> April, 2020 to the date of this Report.

## **6. THE CORPORATE SOCIAL RESPONSIBILITY**

As the provisions of relating to the Corporate Social Responsibility (CSR) as prescribed u/s. 135 of the Companies Act, 2013 along with Rules made thereunder are not applicable to our Company and therefore, neither the CSR Committee nor the CSR Policy are required to be framed by the Company.

## **7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the Company has not given any loans, guarantees or made investments pursuant to Section 186 of the Companies Act, 2013 and therefore, the disclosure under the said provision is not applicable.

## **8. CONTRACTS / ARRANGEMENT WITH THE RELATED PARTIES**

During the year under review, no contracts / arrangements are entered with the Related Parties pursuant to Section 188 of the Companies Act, 2013.

## **9. AUDITORS REPORTS**

The Auditors' Report issued by M/s. Dhirubhai Shah & Co. LLP on the Accounts is self-explanatory and therefore, does not call for any explanation. There were no qualifications, reservations or adverse remarks made by the above referred Statutory Auditors.

The provisions relating the Secretarial Audit is not applicable to the Company.

## **10. ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure – "A"** attached to this Report.

## **11. THE MEETINGS OF THE BOARD OF DIRECTORS**

During the year under review, six meetings of Board of Directors of the Company were held on 12/04/2019, 18/07/2019, 10/08/2019, 16/09/2019, 09/11/2019 and 11/02/2020.

## **12. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

During the year, Stellant Chemicals Industries Private Limited was incorporated on 25-10-2019 as wholly owned Subsidiary of our Company and the subsidiary Company has not carried on any business however, the Financial Statement of the subsidiary Company as at 31-03-2020 have been consolidated with the financial statements of our Company and salient features of the financial statement is attached to the financial statement of the Company pursuant to the Provision of the Companies Act, 2013 and rules made thereunder.

## **13. DEPOSITS**

The Company has neither accepted nor renewed any Deposits since its incorporation.

## **14. SHARES:**

- (a) **BUY BACK OF SECURITIES:** The Company has not bought back any of its securities during the year under review.

(b) **SWEAT EQUITY:** The Company has not issued any Sweat Equity Shares during the year under review.

(c) **BONUS SHARES:** No Bonus Shares were issued during the year under review.

(d) **EMPLOYEES STOCK OPTION PLAN:** The Company has not provided any Stock Option Scheme to the employees.

**15. PARTICULARS OF EMPLOYEES ETC.**

There were no employee in the Company during the financial year 2019–2020 and therefore, the particulars relating to them are not given and Sexual Harassment of Woman Employees are also not applicable to our Company.

16. As the Company has not started any manufacturing activities, there were no data available relating to conservation of energy, technology absorption, foreign exchange earnings and outgo.

17. During the year, the Company has complied with the Secretarial Standards SS-1 and SS-2.

**18. DIRECTORS RESPONSIBILITY STATEMENT**

Your Directors confirm that:

(a) in the preparation of the Annual Accounts for the financial year 2019–2020, 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 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;

(d) the Directors had prepared the Annual Accounts on a going concern basis; and

(e) 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.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,**

Place: Vadodara  
Date: 22<sup>nd</sup> June, 2020

  
\_\_\_\_\_  
CHAIRMAN

**Annexure "A"**

**FORM No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**as at the Financial Year ended on 31<sup>st</sup> March, 2020**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

(i)	Corporate Identification Number (CIN)	U17200GJ2017PLC099677
(ii)	Registration Date	06/11/2017
(iii)	Name of the Company	FERNWAY TEXTILES LIMITED
(iv)	Category / Sub-Category of the Company	Indian Non Govt. Company
(v)	Address of the Registered office and contact details	Post Box No. 2501, Padra Road, Vadodara – 390 020
(vi)	Whether Listed company	NO – Unlisted Public Company
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	None – Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1.	Woolen & worted fabrics	131	0

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Shri Dinesh Mills Limited Post Box No. 2501, Padra Road, Vadodara - 390020	L17110GJ1935PLC000494	Holding	100%	Section 2(46)
2	Stellent Chemicals Industries Private Limited Post Box No. 2501, Padra Road, Vadodara - 390020	U24290GJ2019PTC110540	Subsidiary	100%	2(87)

**IV. SHARE HOLDING PATTERN: (Equity Share Capital Breakup as percentage of Total Equity)**

**(i) Category-wise shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (1 <sup>st</sup> April, 2019)				No. of Shares held at the end of the year (31 <sup>st</sup> March, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.Promoters</b>									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	NIL
b) Central Govt.	0	0	0	0	0	0	0	0	NIL
c) State Govt.(s)	0	0	0	0	0	0	0	0	NIL
d) Bodies Corporate	0	50000	50000	100%	0	50000	50000	100%	0
e) Banks / FI	0	0	0	0	0	0	0	0	NIL
f) Any other	0	0	0	0	0	0	0	0	NIL
<b>Sub Total (A) (1):-</b>	0	50000	50000	100%	0	50000	50000	100%	NIL
(2) Foreign	0	0	0	0	0	0	0	0	
a) NRIs-Individuals	0	0	0	0	0	0	0	0	NIL
b). Others -Individuals	0	0	0	0	0	0	0	0	NIL
c). Bodies Corporate	0	0	0	0	0	0	0	0	NIL
d). Banks/FI	0	0	0	0	0	0	0	0	NIL
e). Any Other.	0	0	0	0	0	0	0	0	NIL
<b>Sub Total (B)(2):-</b>	0	0	0	0	0	0	0	0	NIL
<b>Total shareholding of Promoter (A)= (A)(1)+(B)(2)</b>	0	50000	50000	100%	0	50000	50000	100%	NIL
<b>B. Public Shareholding</b>		0	0	0	0	0	0	0	NIL
<b>1. Institutions</b>		0	0	0	0	0	0	0	NIL
a) Mutual Funds	0	0	0	0	0	0	0	0	NIL

b) Banks / FI	0	0	0	0	0	0	0	0	NIL
c) Central Govt.	0	0	0	0	0	0	0	0	NIL
d) State Govt.(s)	0	0	0	0	0	0	0	0	NIL
e) Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
f) Insurance Companies	0	0	0	0	0	0	0	0	NIL
g) FIs	0	0	0	0	0	0	0	0	NIL
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
i) Others (specify)	0	0	0	0	0	0	0	0	NIL
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	NIL
<b>2.Non-Institutions</b>		0	0	0	0	0	0	0	NIL
<b>a) Bodies Corporate</b>		0	0	0	0	0	0	0	NIL
i) Indian	0	0	0	0	0	0	0	0	NIL
ii) Overseas	0	0	0	0	0	0	0	0	NIL
<b>b) Individuals</b>		0	0	0	0	0	0	0	NIL
i) Individual shareholders holding nominal share capital upto Rs. 1/- lakh.	0	0	0	0	0	0	0	0	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs. 1/- Lakh	0	0	0	0	0	0	0	0	NIL
<b>c) Others, (specify)</b>		0	0	0	0				NIL
Non Resident Indians	0	0	0	0	0	0	0	0	NIL
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	NIL

Foreign Nationals	0	0	0	0	0	0	0	0	NIL
Clearing Members	0	0	0	0	0	0	0	0	NIL
Trusts	0	0	0	0	0	0	0	0	NIL
Foreign Bodies - DR	0	0	0	0	0	0	0	0	NIL
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	NIL
Total Public Shareholding (B)= (B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	NIL
C.Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	NIL
Grand Total (A+B+C)	0	50000	50000	100%	0	50000	50000	100%	NIL

(ii) Shareholding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (i.e. 1 <sup>st</sup> April, 2019)			Share holding at the end of the year (i.e. 31 <sup>st</sup> March, 2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shri Dinesh Mills Ltd (SDML)	49994	99.99	0	49994	99.99	0	NIL
2	Bharat Upendrabhai Patel - As Nominee of SDML	1	0.00	0	1	0.00	0	NIL
3	Nimish Upendrabhai Patel - As Nominee of SDML	1	0.00	0	1	0.00	0	NIL
4	Roopa Bharat Patel - As Nominee of SDML	1	0.00	0	1	0.00	0	NIL
5	Arusha Nimish Patel - As Nominee of SDML	1	0.00	0	1	0.00	0	NIL
6	Aditya Bharatbhai Patel - As Nominee of SDML	1	0.00	0	1	0.00	0	NIL
7	Nishank Nimishbhai Patel - As Nominee of SDML	1	0.00	0	1	0.00	0	NIL



**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.		Shareholding at the beginning of the year (1 <sup>st</sup> April, 2019)		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year (1 <sup>st</sup> April, 2019)	50000	100%	50000	100%
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	0	0	0	0
3	At the end of the year (31 <sup>st</sup> March, 2020)	50000	100%	50000	100%

**(iv) Shareholding Pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For each of the top 10 shareholders</b>				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.		Shareholding at the beginning of the year (1 <sup>st</sup> April, 2019)		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year (1 <sup>st</sup> April, 2019)	50000	100%	50000	100%
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	0	0	0	0
3	At the end of the year (31 <sup>st</sup> March, 2020)	50000	100%	50000	100%

**(iv) Shareholding Pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For each of the top 10 shareholders</b>				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year (01/04/2019) (1) Shri Nimishbhai U Patel = 1 share (2) Shri Bharatbhai U Patel = 1 share	2	0.01	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	0	0	0	0
	At the end of the year (31/03/2020) (1) Shri Nimishbhai U Patel = 1 share (2) Shri Bharatbhai U Patel = 1 share	2	0.01	0	0

**V. INDEBTEDNESS:** Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (i.e. 01/04/2019)</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i + ii + iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year (2019 - 2020)</b>				
* Addition	0	5.0	0	5.0
* Reduction	0	0	0	0
<b>Net Change</b>	0	5.0	0	5.0
<b>Indebtedness at the end of the financial year (i.e. 31/03/2020)</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i + ii + iii)</b>	0	5.0	0	5.0

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	NA	NA
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	NA
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	NA
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NA	NA
2	Stock Option	NA	NA
3	Sweat Equity	NA	NA
4	Commission - as % of profit - others specify	NA	NA
5	Others, please specify	NA	NA
	Total (A)	NA	NA
	Ceiling as per the Act	NA	NA

### B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		BUP	NUP	RSA	
1	Independent Directors				
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0

C. Remuneration to Key Managerial Personnel other than MD /Manager / WTD during the financial year 2019 – 2020

Sr. No.	Particulars of Remuneration	Key Managerial Personnel:			
		CEO	CS	CFO	Total
1	Gross salary	NA	NA	NA	NA
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	NA	NA	NA
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	NA	NA	NA
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA	NA
2	Stock Option	NA	NA	NA	NA
3	Sweat Equity	NA	NA	NA	NA
4	Commission	NA	NA	NA	NA
	- as % of profit	NA	NA	NA	NA
	others, specify	NA	NA	NA	NA
5	Others, please specify	NA	NA	NA	NA
	Total	NA	NA	NA	NA

CEO: Chief Executive Officer, CS: Company Secretary, CFO: Chief Financial Officer

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	N.A.	None	None	None	None
Punishment	N.A.	None	None	None	None
Compounding	N.A.	None	None	None	None
<b>B. DIRECTORS</b>					
Penalty	N.A.	None	None	None	None
Punishment	N.A.	None	None	None	None
Compounding	N.A.	None	None	None	None
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	None	None	None	None
Punishment	N.A.	None	None	None	None
Compounding	N.A.	None	None	None	None

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

  
CHAIRMAN

Place: Vadodara

Date: 22<sup>nd</sup> June, 2020



## Independent Auditor's Report

### To the Members of Fernway Textiles Limited

### Report on the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Fernway Textiles Limited ("the Company"), which comprises of the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income), and the Statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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



## **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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 other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

## **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

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 Indian Accounting Standards (Ind AS) 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



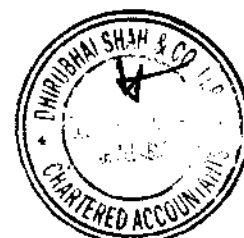
## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in





evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

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.

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**

1. This report doesn't include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the company.

2. As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The balance sheet, the statement of profit and loss and the cash flow statement 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact, wherever necessary, of pending litigations on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

1. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **Dhirubhai Shah & Co LLP**

*Chartered Accountants*

Firm's registration number: 102511W/W100298

*Harish B. Patel*

**Harish B Patel**

*Partner*

Membership number: 014427

UDIN: 20014427AAABJJ6662



Place: Vadodara

Date: 22<sup>nd</sup> June 2020

## **Annexure - A to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Fernway Textiles Limited ("the Company") as of 31<sup>st</sup> March 2020 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**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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 over financial reporting.



## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

- Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

- For **Dhirubhai Shah & Co LLP**

*Chartered Accountants*

Firm's registration number: 102511W/W100298

*Harish B. Patel*

**Harish B Patel**

*Partner*

Membership number: 014427



Place: Vadodara

Date: 22<sup>nd</sup> June, 2020

**FERNWAY TEXTILES LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2020**

	Note No.	As at 31-03-2020 Rs. In Lakhs	As at 31-03-2019 Rs. In Lakhs
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment		-	-
(b) Financial Assets	1	1.00	-
(c) Other Non Current Assets		-	-
		<u>1.00</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
(a) Inventories		-	-
(b) Financial Assets		-	-
(i) Cash and Cash Equivalents	2	0.55	4.42
(d) Other Current Assets		-	-
		<u>0.55</u>	<u>4.42</u>
<b>TOTAL ASSETS</b>		<u><b>1.55</b></u>	<u><b>4.42</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	3	5.00	5.00
(b) Other Equity	4	(10.10)	(0.63)
		<u>(5.10)</u>	<u>4.37</u>
<b>LIABILITIES</b>			
<b>ON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities	5	5.00	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)		-	-
(d) Other Non Current Liabilities		-	-
		<u>5.00</u>	<u>-</u>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities		-	-
(iii) Other Financial Liabilities	6	1.65	0.05
(b) Other Current Liabilities		-	-
(c) Provisions		-	-
		<u>1.65</u>	<u>0.05</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u><b>1.55</b></u>	<u><b>4.42</b></u>

Corporate Information, Basis of Preparation & Significant Accounting Policies 1 to 3

The accompanying notes 1 to 13 are an integral part of the Standalone Financial Statements

per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For DHIRUBHAI SHAH & CO LLP  
Chartered Accountants  
Firm Registration Number: 102511W/W100298

*Harish B Patel*

Harish B Patel  
Partner  
Membership Number: 014427  
Place: Vadodara  
Date : 22nd June 2020



*[Signature]*  
Director

*[Signature]*  
Director

Date : 22nd June 2020

**FERNWAY TEXTILES LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020**

Particulars	Note No.	2019-20 Rs. In Lakhs	2018-19 Rs. In Lakhs
<b>INCOME</b>			
Revenue from operations		-	-
Other income		-	-
<b>TOTAL INCOME</b>		<u>-</u>	<u>-</u>
<b>EXPENSES</b>			
Cost of Materials Consumed		-	-
Excise Duty		-	-
Purchases of Stock in Trade		-	-
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefits expense		-	-
Finance Costs		-	-
Depreciation and amortization expenses		-	-
Other expenses	7	<u>9.47</u>	<u>0.12</u>
<b>TOTAL EXPENSES</b>		<u>9.47</u>	<u>0.12</u>
<b>Profit/(Loss) before exceptional items and tax</b>		<u>(9.47)</u>	<u>(0.12)</u>
Exceptional items (net)		-	-
<b>Profit/(Loss) before tax</b>		<u>(9.47)</u>	<u>(0.12)</u>
<b>Tax items</b>			
Current tax		-	-
Earlier years tax provisions (written back)		-	-
Deferred tax asset / (liability)		-	-
<b>Total tax items</b>		<u>-</u>	<u>-</u>
<b>Profit/(Loss) for the year</b>		<u>(9.47)</u>	<u>(0.12)</u>
<b>Other Comprehensive Income/ (Loss) for the year</b>		<u>-</u>	<u>-</u>
<b>Total Comprehensive Income/ (Loss) for the year</b>		<u>(9.47)</u>	<u>(0.12)</u>
<b>Earnings Per Equity Share (Basic and Diluted)</b>	8	<u>(0.00)</u>	<u>(0.00)</u>

Corporate Information, Basis of Preparation & Significant Accounting Policies 1-3

The accompanying notes 1 to 13 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For DHIRUBHAI SHAH & CO LLP

Chartered Accountants

Firm Registration Number: 102511W/W100298

*Harish B. Patel* Director

*B. Shah* Director

Harish B Patel

Partner

Membership Number: 014427

Place: Vadodara

Date : 22nd June 2020



Date : 22nd June 2020

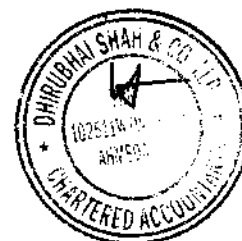
**FERNWAY TEXTILES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020**

	2019-20 Rs. In Lakhs	2018-19 Rs. In Lakhs
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) Before Tax	(9.47)	(0.12)
Adjustments for:		
Depreciation and amortization	-	-
Interest and finance charges	-	-
Interest income	-	-
Others	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>(9.47)</b>	<b>(0.12)</b>
Adjustments for changes in working capital :	1.60	(0.46)
<b>Cash Generated from Operations</b>		
Income taxes paid	-	-
<b>Net Cashflow from Operating Activities</b>	<b>(7.87)</b>	<b>(0.58)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	-	-
Purchase of Investment	(1.00)	-
Additions in capital work in progress	-	-
<b>Net Cashflow from Investing Activities</b>	<b>(1.00)</b>	<b>-</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Unsecured loans	5.00	-
Proceeds from Issue of Shares	-	-
<b>Net Cashflow from Financing Activities</b>	<b>5.00</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(3.87)</b>	<b>(0.58)</b>
Cash and bank balances at the beginning of the year	4.42	5.00
Cash and bank balances at the end of the year	0.55	4.42

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.



Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

DETAIL OF CASH AND CASH EQUIVALENTS	As at 31-03-2020 Rs. In Lakhs	As at 31-03-2019 Rs. In Lakhs
Balances with banks		
In current accounts	0.55	4.42
In deposits with original maturity of less than 3 months	-	-
Cash on hand	-	-
		<u>4.42</u>

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For DHIRUBHAI SHAH & CO LLP  
Chartered Accountants  
Firm Registration Number: 102511W/W100298

*Harish B. Patel*

Harish B Patel  
Partner  
Membership Number: 014427  
Place: Vadodara  
Date : 22nd June 2020



*[Signature]*  
Director

*[Signature]*  
Director

Date : 22nd June 2020



**FERNWAY TEXTILES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020**

(A) EQUITY SHARE CAPITAL  
 For the year ended 31st March, 2020

(Rs. In Lakhs)		
Balance as at 1st April, 2019	Changes during the year	Balance as at 31st March, 2020
5.00	-	5.00

(A) OTHER EQUITY  
 For the year ended 31st March, 2020

Particulars	Retained Earnings	Total Equity
Balance as at 1st April, 2019	(0.63)	(0.63)
Profit/(Loss) for the year	(9.47)	(9.47)
Balance as at 31st March, 2020	(10.10)	(10.10)

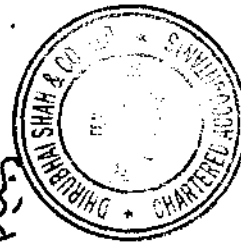
"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For DHIRUBHAI SHAH & CO LLP  
 Chartered Accountants  
 Firm Registration Number: W100298/102511W

*Harish B. Patel*

Harish B Patel  
 Partner  
 Membership Number: 014427  
 Place: Vadodara  
 Date : 22nd June 2020



*[Signature]*  
 Director

Date : 22nd June 2020

**FERNWAY TEXTILES LIMITED**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As at 3/31/2020 (Rs. In Lakhs)	As at 31-03-2019 (Rs. In Lakhs)
<b>1 - FINANCIAL ASSETS</b>		
Investment in Stellent Chemicals India Pvt Ltd.	1.00	-
	<u>1.00</u>	<u>-</u>

	As at 3/31/2020 (Rs. In Lakhs)	As at 31-03-2019 (Rs. In Lakhs)
<b>2 - CASH AND CASH EQUIVALENTS</b>		
Balances with Banks		
- Current Accounts	0.55	4.42
	<u>0.55</u>	<u>4.42</u>

	As at 3/31/2020 (Rs. In Lakhs)	As at 31-03-2019 (Rs. In Lakhs)
<b>3 - SHARE CAPITAL</b>		
Authorised:		
50,000 Equity Shares of Rs. 10 each	5.00	5.00
49,90,000 Preference Shares of Rs. 10 each (PY Nil)	495.00	-
	<u>500.00</u>	<u>5.00</u>
Issued, Subscribed and paid-up:		
50,000 Equity Shares of Rs. 10 each, fully paid up	5.00	5.00
	<u>5.00</u>	<u>5.00</u>

**2.1 Reconciliation of shares outstanding at the beginning and at the end of the Reporting year**

Particulars	As at 31/03/2020		As at 31/03/2019	
	No. of Shares	(Rs. In Lakhs)	No. of Shares	(Rs. In Lakhs)
At the beginning of the year	50,000	5.00	50,000	5.00
Add: Shares issued	-	-	-	-
Share outstanding at the end of the year	<u>50,000</u>	<u>5.00</u>	<u>50,000</u>	<u>5.00</u>

**2.2 Terms & Rights attached to the equity shares**

The Company has one class of shares referred to as equity shares having a par value of Rs. 10 each. Each shareholder is entitled to

**2.3 Number of Shares held by each shareholder holding more than 5% Shares in the company**

Name of Shareholder	As at 31/03/2020		As at 31/03/2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shri. D. H. M. S. Limited	50,000	100.00	50,000	100.00

	As at 3/31/2020 (Rs. In Lakhs)	As at 31-03-2019 (Rs. In Lakhs)
<b>4 - OTHER EQUITY</b>		
Profit and Loss		
Opening Balance	(0.63)	(0.51)
Net Profit for the year	(9.47)	(0.12)
Closing Balance	<u>(10.10)</u>	<u>(0.63)</u>

	As at 3/31/2020 (Rs. In Lakhs)	As at 31-03-2019 (Rs. In Lakhs)
<b>5 - Financial Liabilities</b>		
Unsecured Loans	5.00	-
	<u>5.00</u>	<u>-</u>

	As at 3/31/2020 (Rs. In Lakhs)	As at 31-03-2019 (Rs. In Lakhs)
<b>6 - CURRENT FINANCIAL LIABILITIES - OTHERS</b>		
Dues to related party	-	-
Other Dues	1.65	0.05
	<u>1.65</u>	<u>0.05</u>



**7 - OTHER EXPENSES**

	2019-20 (Rs. In Lakhs)	2018-19 (Rs. In Lakhs)
Audit Fees	0.05	0.05
Other Exp	9.42	0.07
	<u>9.47</u>	<u>0.12</u>

**8 - EARNINGS PER EQUITY SHARE**

	2019-20 (Rs. In Lakhs)	2018-19 (Rs. In Lakhs)
Profit/(loss) available for equity shareholders	(9.47)	(0.12)
Weighted average numbers of equity shares outstanding	50,000	50,000
Nominal value per equity share (in Rupees)	10.00	10.00
Earnings /(loss) Per Equity Share- Basic and Diluted (in Rupees)	(0.00)	(0.00)

**Note: 10**

The Company has prepared its financial statements as per Ind AS provisions, as its Holding Company is covered under the applicability criteria of preparing its financial statements as per Ind AS.

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For DHIRUBHAI SHAH & CO LLP

Chartered Accountants

Firm Registration Number: W100298/102511W

Director

Director

*Harish B. Patel*

Harish B Patel

Partner

Membership Number: 014427

Place: Vadodara

Date : 22nd June 2020



Date : 22nd June 2020

FERNWAY TEXTILES LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

11. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

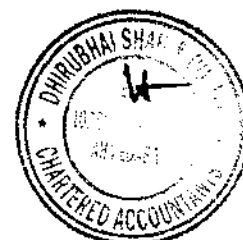
Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

III. Figures as at March 31, 2019

Financial Instrument	Note No.	Carrying Amount				Fair value				
		FVTPL	FVOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Current Assets</b>										
<b>Financial Assets</b>										
(i) Cash and Cash Equivalents		-	-	-	4.42	4.42	-	-	-	-
		-	-	-	4.42	4.42	-	-	-	-
<b>Current Liabilities</b>										
<b>Financial Liabilities</b>										
(i) Others		-	-	-	0.05	0.05	-	-	-	-
		-	-	-	0.05	0.05	-	-	-	-

IV. Figures as at March 31, 2020

Financial Instrument	Note No.	Carrying Amount				Fair value				
		FVTPL	FVOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Current Assets</b>										
<b>Financial Assets</b>										
(i) Cash and Cash Equivalents		-	-	-	0.55	0.55	-	-	-	-
		-	-	-	0.55	0.55	-	-	-	-
<b>Current Liabilities</b>										
<b>Financial Liabilities</b>										
(i) Others		-	-	-	1.65	1.65	-	-	-	-
		-	-	-	1.65	1.65	-	-	-	-



**FERNWAY TEXTILES LIMITED**

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

**12 - RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24**

**(a) Related Parties**

**1. Holding Company**

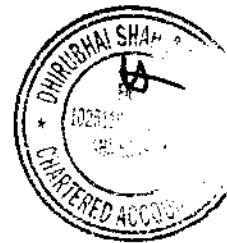
- Shri Dinesh Mills Limited

**2. Key Management Personnel**

Name	Designation
Bharatbhai Upendrabhai Patel	Director
Nimishbhai Upendrabhai Patel	Director
Rakesh Shivbhagwan Agrawal	Director

**(b) Transactions with related parties:**

Nature of Transaction	Holding Company	Key Management Personnel	Total	Holding Company	Key Management Personnel	Total
	2019-20 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)	2018-19 (Rs. In Lakhs)	2018-19 (Rs. In Lakhs)	2018-19 (Rs. In Lakhs)
Reimbursement of expenses						
Payment of outstanding				0.46	-	0.46
Loan From KMP		5.00	5.00	-	-	-



**FERNWAY TEXTILES LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

**13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

As on the reporting date, the Company has not started its business operations, hence, the policy related to risk management is yet to be formed by the management of the Company.

**Capital management**

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants. As on the reporting date, the company has not started its business operations.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	As at
	31-03-2020
Total Debt	5.00
Equity	5.00
<b>Capital and net debt</b>	<b>10.00</b>
Gearing ratio	0.50

