CHARTERED ACCOUNTANTS

4th Floor, Aditya Building
Near Sardar Patel Seva Samaj
Mithakhali Six Roads, Ellisbridge
Ahmedabad 380006

Independent Auditor's Report

To the Members of Fernway Technologies Limited

Report on the Financial Statements

Opinion

We have audited the financial statements of Fernway Technologies Limited ("the Company"), which comprises of the balance sheet as at 31st March 2022, 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 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 2022, and its losses, 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 in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the 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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

DHIRUBHAI SHAH & CO LLP
FRN 102511W-W100298
AHMEDABAD

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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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.

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- 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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. As required by Section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account;

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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 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, reporting of the same is not applicable to the company on account of non-fulfilment of requisite conditions;

g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its director's during year is in accordance with the provisions of Section 197 of the Act.

h. 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 has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv.

      a. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      b. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ('Funding Parties') with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared any dividend during the year hence reporting under this clause is not applicable.

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Dhirubhai Shah & Co LLP**
Chartered Accountants
Firm's registration number: 102511W/W100298

DHIRUBHAI SHAH & CO LLP
FRN 102511W/W100298
AHMEDABAD
CHARTERED ACCOUNTANTS

Anik S Shah
Partner
Membership number: 140594
UDIN: 22140594AMIYNR7477

Place: Vadodara
Date: 23rd May, 2022

ANNEXURE - A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) (a) A. The Company does not have any Property, Plant and Equipment.

B. The Company does not have any intangible assets hence reporting under this clause is not applicable

(b) The Company does not have any Property, Plant and Equipment and hence the company is not required to carry out any physical verification of the same. Accordingly, reporting under this clause is not applicable.

(c) The Company does not have any immovable property hence reporting under this clause is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory hence reporting under this clause is not applicable.

(b) As disclosed in Note 14 to the financial statements, the company has not been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from banks during the year on the basis of security of current assets of the Company hence reporting under this clause is not applicable.

(iii) The Company has not made any investments, provided any guarantee or security or granted any loans secured or unsecured to any companies, firms, Limited Liability Partnerships or any other parties.

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) As the Company has not made any investments, provided any guarantee or security or granted any loans secured or unsecured, reporting under clause 3(iii)(b) of the Order is not applicable.

(c) As the Company has not provided any loans or advances in the nature of loans, reporting under clause 3(iii)(c) of the Order is not applicable.

DHIRUBHAI SHAH & CO LLP CHARTERED ACCOUNTANTS AHMEDABAD

(d) In view of 3(iii)(c) above, reporting under clause 3(iii)(d) of the Order is not applicable.

(e) In view of 3(iii)(c) above, reporting under clause 3(iii)(e) of the Order is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments, given any guarantee and securities hence reporting on the compliance of provisions of section 185 and 186 of the Act is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) On the basis of our examination of documents and records there are no disputed statutory dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST etc. with the appropriate authorities.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) In our opinion, the Company has not taken any loan from banks and financial institutions and has also not issued debentures during the year hence reporting to that extent is not applicable.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

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AHMEDABAD

(c) According to the information and explanations given to us, the company has not raised any term loans raised during the year hence reporting to the extent is not applicable.

(d) On an overall examination of the financial statements of the Company, the company has not raised any funds hence reporting of the usage is not applicable.

(e) The Company does not have any subsidiary, associate or joint ventures hence reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary, associate or joint ventures hence term loans cannot be raised by pledging shares. Accordingly, reporting under clause 3(ix)(f) of the Order not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As informed to us, the Company has not received any whistle blower complaints (up to the date of audit report)

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv)

(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) Considering the size and nature of activities of the company, the company has not appointed any internal auditors.

DHIRUBHAI SHAH & CO LLP CHARTERED ACCOUNTANTS AHMEDABAD

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year

(xviii) There has been no resignation of the statutory auditors of the Company during the year. The previous auditor has retired after completing their tenure as per the provisions of Companies Act, 2013.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) As per the applicability provisions of Section 135(5) of the Companies Act, 2013, the company is not required to spend any amount towards Corporate Social Responsibility (CSR) hence reporting under Clause 3(xx)(a) and Clause 3(xx)(b) is not applicable.

For, Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/W100298

Anik Shah
Partner
Membership Number: 140594
UDIN: 22140594AMIYNR7477

Place: Vadodara
Date: 23rd May, 2022

FERNWAY TECHNOLOGIES LIMITED
CIN: U17301GJ2017PLC099607
BALANCE SHEET AS AT 31st MARCH, 2022

ASSETS	Note No.	As at 31-03-2022 Rs. In Lakhs		As at 31-03-2021 Rs. In Lakhs	
NON-CURRENT ASSETS					
(a) Property, Plant and Equipment		-		-	
(b) Financial Assets		-		-	
(c) Other Non Current Assets		-		-	
CURRENT ASSETS					
(a) Inventories		-		-	
(b) Financial Assets					
(i) Cash and Cash Equivalents	4	1.92		2.02	
(d) Other Current Assets				-	
			1.92		2.02
TOTAL ASSETS			1.92		2.02
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share Capital	5	5.00		5.00	
(b) Other Equity	6	(3.14)		(3.06)	
			1.86		1.94
LIABILITIES					
NON-CURRENT LIABILITIES					
(a) Financial Liabilities		-		-	
(b) Provisions		-		-	
(c) Deferred Tax Liabilities (Net)		-		-	
(d) Other Non Current Liabilities		-		-	
			-		-
CURRENT LIABILITIES					
(a) Financial Liabilities					
(iii) Other Financial Liabilities	7	0.06		0.08	
(b) Other Current Liabilities				-	
(c) Provisions				-	
			0.06		0.08
TOTAL EQUITY & LIABILITIES			1.92		2.02

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

The accompanying notes are an integral part of the Financial Statements

"As per our report of even date attached"

For Dhirubhai Shah & Co LLP
Chartered Accountants
Firm Registration Number: 102511W/W100298

Anik S Shah
Partner
Membership Number: 140594
Place: Vadodara
Date : 23rd May, 2022

DHIRUBHAI SHAH & CO LLP CHARTERED ACCOUNTANTS

ON BEHALF OF THE BOARD OF DIRECTORS

Mr. B. U. PATEL
Director
(DIN: 00039543)

Mr. N. U. Patel
Director
(DIN: 00039549)

Date : 23rd May, 2022

FERNWAY TECHNOLOGIES LIMITED
CIN: U17301GJ2017PLC099607
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

	Note No.	2021-22 Rs. In Lakhs		2020-21 Rs. In Lakhs	
INCOME					
Revenue from operations		-		-	
Other income		-		-	
TOTAL INCOME			-		-
EXPENSES					
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	8	0.08		0.42	
TOTAL EXPENSES			0.08		0.42
Profit/(Loss) before exceptional items and tax			(0.08)		(0.42)
Exceptional items (net)				-	-
Profit/(Loss) before tax			(0.08)		(0.42)
Tax items					
Current tax				-	
Earlier years tax provisions (written back)				-	
Deferred tax asset / (liability)		-		-	
Total tax items					-
Profit/(Loss) for the year			(0.08)		(0.42)
Other Comprehensive Income/ (Loss) for the year					-
Total Comprehensive Income/ (Loss) for the year			(0.08)		(0.42)
Earnings Per Equity Share (Basic and Diluted)(in Rupees)	9		(0.15)		(0.84)
Corporate Information, Basis of Preparation & Significant Accounting Policies	1-3				

The accompanying notes are an integral part of the Financial Statements

"As per our report of even date attached"

For Dhirubhai Shah & Co LLP
Chartered Accountants
Firm Registration Number: 102511W/W100298

Anik S Shah
Partner
Membership Number: 140594
Place: Vadodara
Date : 23rd May, 2022

DHIRUBHAI SHAH & CO LLP CHARTERED ACCOUNTANTS

ON BEHALF OF THE BOARD OF DIRECTORS

Mr. B. U. PATEL
Director
(DIN: 00039543)

Mr. N. U. Patel
Director
(DIN: 00039549)

Date : 23rd May, 2022

FERNWAY TECHNOLOGIES LIMITED

CIN: U17301GJ2017PLC099607

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

	2021-22 Rs. In Lakhs	2020-21 Rs. In Lakhs
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) Before Tax	(0.08)	(0.42)
Adjustments for:		
Depreciation and amortization	-	-
Interest and finance charges	-	-
Interest income	-	-
Others	-	-
Operating Profit before Working Capital Changes	(0.08)	(0.42)
Adjustments for changes in working capital :	(0.02)	-
Cash Generated from Operations	-	-
Income taxes paid	-	-
Net Cashflow from Operating Activities	(0.10)	(0.42)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-	-
Additions in capital work in progress	-	-
Net Cashflow from Investing Activities	-	-
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Shares	-	-
Net Cashflow from Financing Activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	(0.10)	(0.42)
Cash and bank balances at the beginning of the year	2.02	2.02
Cash and bank balances at the end of the year	1.92	2.02

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.

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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 31-03-2022 Rs. In Lakhs	As at 31-03-2021 Rs. In Lakhs
Balances with banks		
In current accounts	1.92	2.02
In deposits with original maturity of less than 3 months	-	-
Cash on hand	-	-
	1.92	2.02

"As per our report of even date attached"

For Dhirubhai Shah & Co LLP
Chartered Accountants
Firm Registration Number: 102511W/W100298

Anik S Shah
Partner
Membership Number: 140594
Place: Vadodara
Date : 23rd May, 2022

DHIRUBHAI SHAH & CO LLP • CHARTERED ACCOUNTANTS

ON BEHALF OF THE BOARD OF DIRECTORS

Mr. B. U. PATEL
Director
(DIN: 00039543)

Mr. N. U. Patel
Director
(DIN: 00039549)

Date : 23rd May, 2022

FERNWAY TECHNOLOGIES LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

1. CORPORATE INFORMATION

Fernway Technologies Limited is a company incorporated on 30th October, 2017. It is a wholly owned subsidiary of Shri Dinesh Mills Limited (SDML) who is a company having a very strong presence in the textile industry for more than 60 years; manufacturing worsted fabrics (menswear), paper makers felts and industrial textiles. The company is yet to commence its operations hence there is no revenue during the year.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017.

b) Functional and presentation currency

These financial statements are presented in Indian rupee, which is the Company's functional currency. All amounts have been rounded to the nearest lakh, unless otherwise indicated.

c) Basis of measurement

The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

a. Expected to be realized or intended to be sold or consumed in normal operating cycle
b. Held primarily for the purpose of trading
c. Expected to be realized within twelve months after the reporting period, or
d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a. It is expected to be settled in normal operating cycle
b. It is held primarily for the purpose of trading
c. It is due to be settled within twelve months after the reporting period, or
d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2A. USE OF ESTIMATES

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

<u>Critical estimates and judgments</u>

The areas involving critical estimates or judgments are:
a) Estimation of current tax expense and payable – Refer accounting policies - 3.9
b) Estimated useful life of property, plant & equipment and intangible assets – Refer accounting policies - 3.1
c) Estimation of defined benefit obligation – Refer accounting policies - 3.8
d) Estimation of fair values of contingent liabilities - Refer accounting policies - 3.12
e) Recognition of revenue - Refer accounting policies - 3.4
f) Recognition of deferred tax assets for carried forward tax losses – Refer accounting policies - 3.9
g) Impairment of financial assets – Refer accounting policies - 3.2 & 3.5

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives.

All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment

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Tangible Fixed Assets:

(a) Depreciation on all fixed asset is provided on straight line value method. Rate of depreciation is accordance with the provisions of section 123 of the Companies Act, 2013 considering the useful life provided in part "C" of the schedule II. Depreciation on additions to the assets during the year is being provided on pro-rata basis with reference to the month of acquisition /installation. Depreciation on assets sold, discarded, demolished or scrapped during the year is being provided up to the month in which such assets are sold, discarded, demolished or scrapped.

Capital Work- in- progress

Capital work- in- progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period are set off from the interest expense accounted for as expenditure during the construction period.

3.2 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows for the remaining year's (remaining useful life) projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.3 Foreign Currency Transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

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Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise.

Transactions covered under forward contracts are accounted for at the contracted rate. All export proceeds have been accounted for at a fixed rate of exchange at the time of raising invoices. Foreign exchange fluctuations as a result of the export sales have been adjusted in the statement of profit and loss account and export proceeds not realized at the balance sheet date are restated at the rate prevailing as at the balance sheet date.

3.4 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

3.5 Financial Instruments

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

A. Financial Assets

a. Initial recognition and measurement:

All financial assets are recognized initially at fair value (FVOCI / amortized cost / FVTPL). Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Company commits to purchase or sell the asset.

b. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows

- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

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After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate [EIR] method. Amortized cost is calculated by taking into account any discount or premium on acquisition (if any) and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income [OCI]. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss.

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Lose.

c. Derecognition:

A financial asset is primarily derecognized when:

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i. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

B. Financial liabilities:

a. Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as over the counter derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

i. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes over the counter derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

ii. Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

c. Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new

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liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

C. Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

D. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.6 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

3.7Retirement benefits

Company recognizes the undiscounted amount of short term employee benefits during the accounting period based on service rendered by employees.

3.8 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Company operates. Current tax items are recognized in correlation to the underlying transaction either in P&L, OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized on the basis of reasonable certainty that the company will be having sufficient future taxable profits and based on the same the DTA has been recognized in the books.

The carrying amount (if any) of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent the management estimates that it has become reasonable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

3.9 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs which are not specifically attributable to the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a weighted average capitalization rate. The weighted average rate is taken of the borrowing costs

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applicable to the outstanding borrowings of the company during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized cannot exceed the amount of borrowing costs incurred during that period.

3.10 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss from continuing operation and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.11 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

3.12 Cash and Cash Equivalents

Cash and cash equivalent comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

FERNWAY TECHNOLOGIES LIMITED
CIN: U17301GJ2017PLC099607
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

(A) EQUITY SHARE CAPITAL
For the year ended 31st March, 2022

(Rs. In Lakhs)

Balance as at 1st April, 2021	Changes during the year	Balance as at 31st March, 2022
5.00	-	5.00

(B) OTHER EQUITY
For the year ended 31st March, 2022

Particulars	Retained Earnings	Total Equity
Balance as at 1st April, 2021	(3.06)	(3.06)
Profit/(Loss) for the year	(0.08)	(0.08)
Balance as at 31st March, 2022	**(3.14)**	**(3.14)**

"As per our report of even date attached"

For Dhirubhai Shah & Co LLP
Chartered Accountants
Firm Registration Number: 102511W/W100298

Anik S Shah
Partner
Membership Number: 140594
Place: Vadodara
Date : 23rd May, 2022

DHIRUBHAI SHAH & CO LLP · CHARTERED ACCOUNTANTS

ON BEHALF OF THE BOARD OF DIRECTORS

Mr. B. U. PATEL
Director
(DIN: 00039543)

Mr. N. U. Patel
Director
(DIN: 00039549)

Date : 23rd May, 2022

FERNWAY TECHNOLOGIES LIMITED
CIN: U17301GJ2017PLC099607
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As at 3/31/2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
4- CASH AND CASH EQUIVALENTS		
A) Balances with Banks		
- In Current Accounts	1.92	2.02
	1.92	2.02

	As at 3/31/2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
5 - SHARE CAPITAL		
Authorised:		
50,000 (PY-50000) Equity Shares of Rs. 10 each	5.00	5.00
	5.00	5.00
Issued, Subscribed and paid-up:		
50,000 (PY-50000) Equity Shares of Rs. 10 each, fully paid up	5.00	5.00
	5.00	5.00

5.1 Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

Particulars	As at 31/03/2022		As at 31/03/2021	
	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 pursuant to conversion of warrants	-	-	-	-
Shares outstanding at the end of the year	50,000	5.00	50,000	5.00

5.2 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 one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of Shareholder	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shri Dinesh Mills Limited	50,000	100.00	50,000	100.00

5.4 Shareholding Pattern of Promoters

Name of Promoters	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shri Dinesh Mills Limited	50,000	100.00	50,000	100.00

	As at 3/31/2021 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
6 - OTHER EQUITY		
Profit and Loss		
Opening Balance	(3.06)	(2.64)
Net Profit for the year	(0.08)	(0.42)
Closing Balance	(3.14)	(3.06)

	As at 3/31/2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
7 - CURRENT FINANCIAL LIABILITIES - OTHERS		
Other Dues	0.06	0.08
	0.06	0.08

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8 - OTHER EXPENSES	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Payments to Auditors	0.07	0.06
Other Exp	0.01	0.36
	0.08	0.42

**Payments to the auditors for Statutory audit	0.07	0.06

9 - EARNINGS PER EQUITY SHARE	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Profit/(loss) available for equity shareholders	(0.08)	(0.42)
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)	(0.15)	(0.84)

Note: 13

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.

Note: 14

The Company does not have any contingent liabilities and commitments as at 31st March, 2022

Note: 15

As the Company is yet to commence its operations, there are no employees in the company hence no reporting is required as per Ind AS 19

Note: 16

The Company has considered the impact of COVID - 19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions. However, the impact assessment is a continuing process given the uncertainities associated with its nature and duration, and accordingly, the Company will continue to monitor any changes to future economic conditions.

Note: 17

The figures for the previous periods have been regrouped whenever necessary to confirm to the current period presentation

"As per our report of even date attached"

For Dhirubhai Shah & Co LLP
Chartered Accountants
Firm Registration Number: 102511W/W100298

Anik S Shah
Partner
Membership Number: 140594
Place: Vadodara
Date : 23rd May, 2022

DHIRUBHAI SHAH & CO LLP CHARTERED ACCOUNTANTS

ON BEHALF OF THE BOARD OF DIRECTORS

Mr. B. U. PATEL
Director
(DIN: 00039543)

Mr. N. U. Patel
Director
(DIN: 00039549)

Date : 23rd May, 2022

FERNWAY TECHNOLOGIES LIMITED

CIN: U17301GJ2017PLC099607

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

10 - 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 2021-22 (Rs. In Lakhs)	Key Management Personnel 2021-22 (Rs. In Lakhs)	Total 2021-22 (Rs. In Lakhs)	Holding Company 2020-21 (Rs. In Lakhs)	Key Management Personnel 2020-21 (Rs. In Lakhs)	Total 2020-21 (Rs. In Lakhs)
Reimbursement of expenses	-	-	-	-	-	-
Payment of Outstanding	-	-	-	-	-	-

DHIRUBHAI SHAH & CO LLP CHARTERED ACCOUNTANTS

FERNWAY TECHNOLOGIES LIMITED
CIN: U17301GJ2017PLC099607
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

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, 2021

Financial Instrument	Note No.	Carrying Amount					Fair value			
		FVTPL	FVOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Current Assets										
Financial Assets										
(i) Cash and Cash Equivalents		-	-	-	2.02	2.02	-	-	-	
		-	-	-	**2.02**	**2.02**	-	-	-	-
Current Liabilities										
Financial Liabilities										
(i) Others		-	-	-	0.08	0.08	-	-	-	-
		-	-	-	**0.08**	**0.08**	-	-	-	-

IV. Figures as at March 31, 2022

Financial Instrument	Note No.	Carrying Amount					Fair value			
		FVTPL	FVOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Current Assets										
Financial Assets										
(i) Cash and Cash Equivalents		-	-	-	1.92	1.92	-	-	-	-
		-	-	-	**1.92**	**1.92**	-	-	-	-
Current Liabilities										
Financial Liabilities										
(i) Others		-	-	-	0.06	0.06	-	-	-	-
		-	-	-	**0.06**	**0.06**	-	-	-	-

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

12. 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 31-03-2022	As at 31-03-2021
Total Debt	-	-
Equity	5.00	5.00
Capital and net debt	5.00	5.00
Gearing ratio	-	-

DHIRUBHAI SHAH & CO LLP CHARTERED ACCOUNTANTS

FERNWAY TECHNOLOGIES LIMITED
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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

NOTE 13: Ratios as per Schedule III requirements

Ratios	Numerator	Denominator	As at 31/03/2022	As at 31/03/2021	Variance
Current ratio	Current assets	Current liabilities	32.56	24.23	34.40%
Debt equity ratio	Total debt	Shareholder's equity**	0.00	0.00	
Debt service coverage ratio	Earnings available for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease payments + Principal repayments	0.00	0.00	
Return on equity	Profit / (loss) attributable to owners of the Company	Shareholder's equity**	-4.15%	-21.75%	17.60%
Inventory turnover ratio	Revenue from Operations (Net)	Inventory	0.00	0.00	
Trade receivable turnover ratio*	Revenue from Operations (Net)	Trade receivable	0.00	0.00	
Trade Payable turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Trade payables	0.00	0.00	
Capital turnover ratio	Revenue from Operations (Net)	Working capital = Current assets – Current liabilities	0.00	0.00	
Net profit percentage	Net profit	Revenue from Operations (Net)	0.00%	0.00%	0.00%
Return on capital employed	Earnings before interest and taxes	Capital employed = Shareholder's Equity + Non Current Borrowing	-4.15%	-21.75%	17.60%
Return on Investment	Earnings before interest and taxes	Total Assets	-4.02%	-20.85%	16.83%

**Shareholder's equity excludes revaluation surplus, capital contribution reserve and debenture redemption reserve.

NOTE: 14: ADDITIONAL DISCLOSURE AS PER NEW SCHEDULE III REQUIREMENTS

a The Company has not carried out any revaluation of Property, Plant and Equipment in any of the period reported in this Financial Statements hence reporting is not applicable.

b There have been no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

c As per the internal assessment of the Management, the Company does not have any transactions with companies struck off.

d. There no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

e Following is the undisclosed Income surrendered or disclosed as income during the period / year in the tax assessments under the Income Tax Act, 1961

	March 31, 2022	March 31, 2021
a Transactions not recorded in the books but surrendered/disclosed under Income Tax Act, 1961	-	-
b Previously unrecorded income and recorded during the period	-	-
c Previously unrecorded income and not recorded during the period	-	-
d Previously unrecorded assets and recorded during the period	-	-
e Previously unrecorded assets and not recorded during the period	-	-

f The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

DHIRUBHAI SHAH & CO LLP CHARTERED ACCOUNTANTS

g. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

h. The Company is not declared as willful defaulter by any bank or Financial Institution as on the balance sheet date.

i. During the year, the Company has not traded or invested in Crypto Currency or Virutal Currency

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

"As per our report of even date attached"

For Dhirubhai Shah & Co LLP
Chartered Accountants
Firm Registration Number: 102511W/W100298

Anik S Shah
Partner
Membership Number: 140594
Place: Vadodara
Date : 23rd May, 2022

ON BEHALF OF THE BOARD OF DIRECTORS

Mr. B. U. PATEL
Director
(DIN: 00039543)

Mr. N. U. Patel
Director
(DIN: 00039549)

Date : 23rd May, 2022