

# FORTUNE INDUSTRIAL RESOURCES LIMITED

Regd. Office:- 25, Bazar Lane, Bengali Market, New Delhi-110001, CIN: L51503DL1986PLC024329

Tel. No.: 011-43585000; Fax: 011-43585015, E-mail: [bajaj\\_kk@yahoo.co.in](mailto:bajaj_kk@yahoo.co.in), [firl.nbfc@gmail.com](mailto:firl.nbfc@gmail.com); Website: [www.firl.co.in](http://www.firl.co.in),

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Date: 03.09.2019

To,

**Metropolitan Stock Exchange of India Limited  
Listing Department  
4<sup>th</sup> Floor, Vibgyor Toweres, Plot No.C-62  
Opp. Trident Hotel  
Bandra Kurla Complex  
Bandra East, Mumbai-400098**

**Scrip Code-FIRL**

**Subject: Submission of Annual report as Regulation 34(2) of SEBI (Listing  
Obligation and Disclosure Requirement) Regulations, 2015**

Dear Sir,

This is with reference to the captioned subject regarding the re-submission of Annual Report in the context of previous Annual Report which had some clerical mistakes, so please do not take on record the previous Annual Report and consider this Annual Report.

However, for better clarity, we are enclosing the aforesaid annual report as **Annexure-1**.

**Thanking You**

**For Fortune Industrial Resources Limited**



**Deepak K Jha  
Company Secretary  
M.No. : 9678**

**Place: New Delhi**

**Date: 03.09.2019**

Encl.: a/a

# **Fortune Industrial Resources Limited**

*“business of investments in securities”*

***Annual Report- 2019***

# ANNUAL REPORT 2018-19



**Welcome to: Fortune Industrial Resources Limited**

## Corporate information

<b>BOARD OF DIRECTORS</b>	<b>AGM</b>
Mr. Nishant Goyal, Whole Time Director	26 <sup>th</sup> September, 2019; 02:00 PM
Mr. Sanjeev Agrawal, Non Executive Director	<b>E-VOTING WINDOW DATE</b>
Mr. Pankaj Gupta, Non Executive Independent Director	23 <sup>rd</sup> September, 2019 at (9.00 am) and ends on 25 <sup>th</sup> September, 2019 (05.00 pm)
Mrs. Vickky Kumari, Non Executive Woman Independent Director	<b>BOOK CLOSURE DATE</b>
Mr. Umesh Kumar Gupta, Chief Financial Officer	20 <sup>th</sup> September, 2019 to 26 <sup>th</sup> September, 2019.
<b>AUDITORS</b>	<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>
M/s Bhala & Bhala 474-75, Agarwal Millennium Tower-2 Netaji Subhash place, Pitampura, Delhi Contact:11-47666333, Fax:011-47092805, E mail:www.cabhala.com	Mas Services Limited T-34, 2 <sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110020
<b>REGISTERED OFFICE/CIN/E MAIL/WEBSITE</b> 25, Bazar Lane, Bengali Market New Delhi-110001 CIN: L51503DL1986PLC024329 Contact: 011-43585000; Fax:011-43585015; E-mail:firl.nbfc@gmail.com Web: www.firl.co.in	<b>AUDIT COMMITTEE</b> Mr. Pankaj Gupta -Chairman Mr. Sanjeev Agrawal- Member Mrs. Vickky Kumari- Member
<b>LISTING</b> <b>Metropolitan Stock Exchange of India Limited</b> Vibgyor Towers, 4th floor, Plot No C 62, G - Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai – 400 098, India  ISIN: <b>INE510L01017</b> SCRIP CODE: FIRL	<b>NOMINATION AND REMUNERATION COMMITTEE</b> Mrs. Vickky Kumari - Chairperson Mr. Pankaj Gupta -Member Mr. Sanjeev Agrawal- Member
	<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>  Mr. Deepak K Jha, Company Secretary Cum Compliance Officer

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**NOTICE OF 33<sup>RD</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that 33<sup>rd</sup>Annual General Meeting (AGM) of Fortune Industrial Resources Limited will be held on Thursday, 26<sup>th</sup> September, 2019 at 02:00PM at 25, Bazaar Lane, Bengali Market, New Delhi-110001 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Results for the financial year ended on 31st March, 2019 and Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sanjeev Agrawal (DIN: 00282059) who retires by rotation and is eligible for re-appointment.

**SPECIAL BUSINESS:**

**3. Appointment of Ms. Vickky Kumari as Independent Director of the Company**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 of SEBI(Listing Obligation And Disclosure Requirement) Regulation, 2015, Ms. Vickky Kumari who was appointed as an Additional Independent Director on 26th September, 2018 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office is not liable to retire by rotation for a term of five years commencing from 26th September, 2018 till 25th September, 2023."

**For and on behalf of Board of Directors**

Date: 12-08-2019  
Place: New Delhi

**Deepak K Jha**  
**Company Secretary**

## **IMPORTANT INFORMATION ABOUT THE AGM (NOTES)**

### **HOW TO VOTE AND ATTEND:**

If you cannot attend the AGM, please vote your shares by appointing a proxy. You can vote online at [www.evotingindia.com/](http://www.evotingindia.com/) [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Fortune Industrial Resources Limited ("hereinafter referred to as "FIRL") is easily accessible by public transport via Delhi Metro/ Autos. This year AGM will be held at 25, Bazar Lane, Bengali Market, New Delhi-110001.

Please bring your attendance sheet and check the notes for the documentation that will be required to vote/ attend the AGM.

To attend and vote at the annual general meeting (AGM) and for the purpose of the determination by the Company of the votes they may cast, shareholders must be registered in the register of members of the Company as on 19<sup>th</sup> September, 2019. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Share Transfer Books and Register of Members will remain closed from 20<sup>th</sup> September, 2019 to 26<sup>th</sup> September, 2019.

For convenience of the members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the registration counter of the venue.

### **ASKING A QUESTION AT THE AGM:**

Any member or their duly appointed proxy, attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:

- a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
- b) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

### **APPOINTING A PROXY:**

Members are entitled to appoint a proxy to exercise all or any of their rights to attend and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form, which may be used to make such appointment and give proxy instructions, accompanies this Notice of Meeting. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact our registrar, Mas Services Limited.

To be valid any proxy form or other instrument appointing a proxy must be received (during normal business hours only) by post/hand to the Company's Registered Address or at Mas Services Limited. The return of a completed proxy form or other such instrument will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.

### **JOINT HOLDERS:**

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

### **CORPORATE REPRESENTATIVES:**

Any corporation that is a shareholder can appoint corporate representatives who may exercise on its behalf all of its powers as a shareholder.

### **QUERIES:**

If you have any query please contact the Company Secretary, Mr. Deepak K Jha, 25, Bazar Lane, Bengali Market, New Delhi-110001. In all correspondence with the Company, members are requested to quote their account/folio numbers. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their de-mat accounts. Members holding shares in physical form can submit their PAN to the Company.

## **REGISTERS:**

The registers of directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the register of contracts or arrangements in which directors are interested under Section 189 of the Companies Act, 2013 will remain available for inspection at Annual General Meeting.

Members desiring any information relating to the Accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

## **E- VOTING:**

Pursuant to Section 108 and Section 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or depository participant(s).

Members holding shares in physical form are requested to intimate change in their address, if any, immediately to the Company's Registrar and Share Transfer Agent i.e. M/s MAS Services Limited at T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase- II, New Delhi-110020, e-mail: info@masserv.com, website:www.masserv.com. MAS Services Limited is also depository interface of the Company with both NSDL and CDSL. The Company or Registrar can not act on any request received directly from Shareholders holding shares in de-mat form for any change of Bank particulars.

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44(1) of SEBI(Listing Obligation and Disclosure Requirement)Regulation, 2015, the Company is pleased to provide the facility to members to exercise their vote on the resolution proposed to be passed at AGM by electronic means. The members, whose names appear in the Register of Members/list of beneficial owner as on 19<sup>th</sup> September, 2019 are entitled to vote on the resolutions set forth in the notice. The members may cast their votes on electronic voting system from place other than venue of the meeting.

The e-voting period commences on 23<sup>rd</sup> September, 2019 at (9.00 AM) and ends on 25<sup>th</sup> September, 2019 (05.00 PM). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut off date (record date) 19<sup>th</sup> September, 2019, may cast their vote electronically. The e-voting module schedule shall be disabled by NSDL for voting thereafter.

The voting right of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut off date (record date) of 19<sup>th</sup> September, 2019.

The Company has appointed Mr. Arvind Kushwaha, Practicing Company Secretary, Proprietor of M/s Arvind Kushwaha & Associates, a practicing company secretaries firm, as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, therefore unblock the votes cast through remote e-voting in the presence of atleast two witness not in the employment of the Company and make not later than 48 hours of conclusion of the meeting a consolidated Report to the Chairman or the person authorised by him and shall be placed on the Website of NSDL and of the Company within 2 days of passing of resolutions at the AGM of the Company. The listed entity shall submit to the stock exchange, within forty eight hours of conclusion of its General Meeting, details regarding the voting results, i.e. till 28<sup>th</sup> September, 2019.

The procedure and instructions for members for e-voting are disclosed in the Attendance Slip attached with this report.

As a measure of economy, copies of Annual Report will not be distributed at the venue of the AGM. Members are therefore requested to bring their own copies of the Annual Report to the meeting.

## **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")**

### **Resolution No. 03**

Appointment of Ms. Vickky Kumari as Woman Independent Director of the Company

The Board of Directors of the Company had appointed Ms. Vickky Kumari as an Additional Independent Woman Director of the Company with effect from 26<sup>th</sup> September, 2018. In accordance with the provisions of Section 161 of Companies Act, 2013, Ms. Vickky Kumari shall hold office upto the date of forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years from the date of her appointment.

The Company has received notice under section 160 of the Companies Act, 2013 from Mr. Sanjeev Agrawal, member of the Company signifying her candidature as an Independent Director of the Company.

The Company has received a declaration of Independence from Ms. Vickky Kumari. In the opinion of the Board, Ms. Vickky Kumari fulfills the conditions specified in the Companies Act, 2013 and the Listing Regulation for appointment as Independent Director of the Company.

A copy of letter of appointment for Independent director, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company <http://www.firl.co.in>.

None of the directors or Key Managerial Personnel and their relative, except Ms. Vickky Kumari are concerned or interested (financially or otherwise) in this resolution. The Board recommends the ordinary resolution set out at item no. 3 for the approval of members.

**For and on behalf of Board of Directors**

Date: 12-08-2019  
Place: New Delhi

**Deepak K Jha**  
**Company Secretary**



**DETAILS OF MS. VICKKY KUMARI PURSUANT TO THE PROVISIONS OF (I) THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND (II) SECRETARIAL STANDARD ON GENERAL MEETINGS ("SS-2"), ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.**

Ms. Vickky Kumari assumed charge as the Additional Independent Director of the Company with effect from 26<sup>th</sup> September, 2018.

DATE OF BIRTH- 04-06-1989

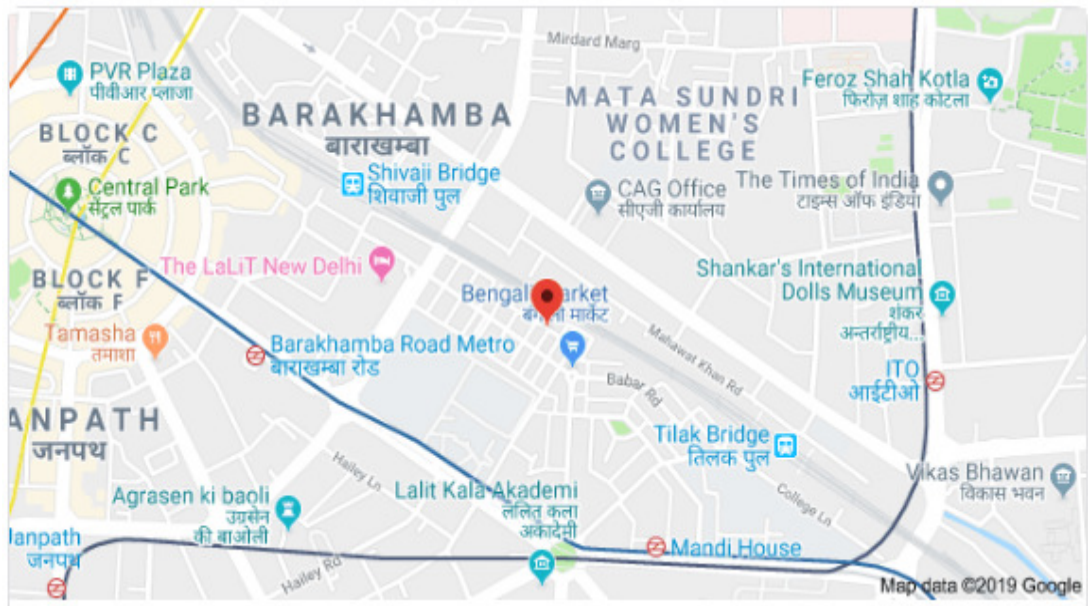
Ms. Vickky Kumari has completed her Graduation from Baba Saheb Bhimrao Ambedkar, Bihar University, Muzaffarpur. She is the Chairperson of Nomination Committee and Member of Audit Committee.

Directorship in other Companies as on 15.11.2018 - SAPTRISHI FINANCE LIMITED.

Membership(s)/Chairmanship(s) of the Committees of other Companies -NIL

% of Shares held in the Company- NIL

**TRANSPORT AND DIRECTIONS TO AGM LOCATION**  
25, BAZAR LANE, BENGALI MARKET, NEW DELHI-110001



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**ELECTRONIC VOTING PARTICULARS**

<b>EVEN (Electronic Voting Event Number)</b>	<b>PASSWORD</b>	<b>USER ID</b>	<b>NO. OF SHARES</b>

**The e-voting facility will be available during the following voting period:**

Commencement of e-voting	<b>23<sup>rd</sup> September, 2019 (9.00 AM)</b>
End of e-voting	<b>25<sup>th</sup> September, 2019 (5.00 PM)</b>

**The cut-off date (i.e. the record date) for the purpose of e-voting is 19<sup>th</sup> September, 2019**

-----**TEAR HERE**-----

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**FORTUNE INDUSTRIAL RESOURCES LIMITED**

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**ATTENDANCE SLIP**

I/We hereby record my presence at the 33<sup>rd</sup>Annual General Meeting on Thursday, 26<sup>th</sup> September, 2019at 25, Bazar Lane, Bengali Market, New Delhi- 110001 at 02:00 PM

Name of the Shareholders or Proxy (In Block Letters)

No. of Shares Held

Regd. Folio No./DPID\_CLID

**(Member's /Proxy's Signature)**

**Member's/Proxy's name in Block Letters**

**Note: PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.**

## **REMOTE E VOTING**

The procedure and instructions for e-voting as given in the Notice of the 33<sup>rd</sup> Annual General Meeting are again reproduced hereunder for easy reference:

In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):

- i.**
    - a. Open e-mail and open PDF file viz. "FIRL\_remote\_e\_Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
    - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - c. Click on Shareholder Login.
    - d. Put user ID and password as initial password noted in step (i) above. Click Login.
    - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - g. Select "EVEN" of "Fortune Industrial Resources Limited".
    - h. Now you are ready for remote e-voting as Cast Vote page opens.
    - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
    - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
    - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [firl.nbfc@gmail.com](mailto:firl.nbfc@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - ii.** In case of Members receiving Physical copy of Notice of 33<sup>rd</sup> Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)
    - a. Initial password is provided in the box overleaf.
    - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
- A. In case of any query, you may refer the frequently asked questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800\_222\_990. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

B. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

C. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19<sup>th</sup> September, 2019.

D. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 19<sup>th</sup> September, 2019, may also obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800\_222\_990.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

D.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

E. Mr. Arvind Kushwaha, Practicing Company Secretary, Proprietor of M/s Arvind Kushwaha & Associates, a practicing company secretaries firm, as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

F. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

G.

The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

H. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.firl.co.in](http://www.firl.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the MSEI.

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**Form No. MGT-11** (Proxy form)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint		
1. Name :		E-mail Id:
Address:		
Signature , or failing him		
2. Name :		E-mail Id:
Address:		
Signature , or failing him		

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the company, to be held on the 26<sup>th</sup> September, 2019, Thursday at 02:00 PM at 25, Bazar Lane, Bengali Market, New Delhi-110001 is situated nearby and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolution(S)	Consent/Dissent	
<b>ORDINARY BUSINESS:</b>			
1.	To receive, consider and adopt the Audited Financial Results for the financial year ended on 31st March, 2019 and Reports of the Board of Directors and the Auditors thereon.		
2.	To appoint a Director in place of Mr. Sanjeev Agrawal (DIN: 00282059) who retires by rotation and is eligible for re-appointment.		
<b>SPECIAL BUSINESS</b>			
3.	Appointment of Ms. Vickky Kumari as Independent Director of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of Shareholder

Signature of Proxy holder

Note:

Affix revenue stamp
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1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the company

## DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting this 33<sup>rd</sup> Annual Report on the business and operation of the company together with Audited Statement of Accounts of the Company for the year ended 31st March, 2019.

### 1. Financial Highlights;

Particulars	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Revenue from operation	26,95,494.00	18,75,000.00
Other Income	1,80,000.00	1,80,000.00
<b>Total Revenue</b>	<b>28,75,494.00</b>	<b>20,55,000.00</b>
<b>Expenses</b>	<b>22,27,149.00</b>	<b>14,08,226.00</b>
Profit/loss before exceptional item, extraordinary item and Tax	6,48,345.00	6,46,774.00
Exceptional Item	0	0
Profit & Loss before Extra Ordinary items and tax	6,48,345.00	6,46,774.00
Extraordinary items	2,02,000.00	2,02,000.00
Current Tax	1,14,934.00	1,14,633.00
Profit & Loss for the period from continuing operations	3,31,411.00	3,30,140.00

### Performance Overview

During the fiscal year ended 31<sup>st</sup> March 2019, revenue from operation was Rs. 26.95 lakhs as compared to Rs. 18.75 lakhs in previous year. The Company continues to take effective steps in broad-basing range of activities. The Company has made a profit after tax of Rs. 3.31 lakhs during the current financial year as against the profit of Rs. 3.30 lakhs in previous financial year. Your Directors are deploying the profit for the development of the Company.

### INFORMATION PURSUANT TO SECTION 134(3) OF COMPANIES ACT, 2013

#### 2. SUBSIDIARY COMPANIES - MONITORING FRAMEWORK

Currently the Company is not having any Subsidiary /Associate or Joint Venture Company.

#### 3. REGISTRATION AS INVESTMENT COMPANY

The Company is a registered Non-Banking Financial Institution- Investment Company ("NBFC-IC") pursuant to the receipt of Certificate of Registration from the Reserve Bank of India ("RBI") dated September 11, 2013, under Section 45-IA of the Reserve Bank of India Act, 1934.

Reserve Bank of India (RBI) granted the Certificate of Registration to the Company in December, 2007 vide Registration No. B.14.01702, to commence the business of a non-banking financial institution without accepting deposits. Your Company is a Non-Deposit taking Non-Banking Financial Company (NBFC-ND).

#### 4. AMOUNT TRANSFERRED TO RESERVES:

During the year under review, the company has transferred Rs. 66,282 to Special Reserve (Standard Assets Reserve) as per directions of RBI. As per RBI guidelines, Company has also created Contingent Liability Risk Reserve Fund but did not transfer any sum during the year.

#### 5. DEPOSITS:

No public deposits have been accepted by the Company. The Company being Non Banking Financial Company Registered under Chapter IIIB of Reserve Bank of India Act, 1934 (2 of 1934), thus the provisions of Section 73 of Companies Act, 2013 are not applicable on the Company.

## **6. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR**

The company had 8 (Eight) Board Meetings during the financial year under review. The details of the Board Meeting and the attendance of the Directors are provided in the Corporate Governance Report.

## **7. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORK PLACE**

Pursuant to the provisions of Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under, your Company has adopted a policy and during the year no complaints of Sexual Harassment of women at work place has been reported or received.

## **8. DIVIDEND:**

Keeping in view the future requirements of funds by the company for its proposed growth and expansion, the Board expresses its inability to recommend any dividend from the available profit during the year under review.

## **9. DISCLOSURE OF ACCOUNTING TREATMENT:**

In the preparation of financial statements, any treatment different from that prescribed in an Accounting Standard has not been followed.

## **10. STATUTORY DISCLAIMER:**

The Company is having a valid Certificate of Registration dated September 11, 2013 issued by RBI under Section 45-IA of the Reserve Bank of India Act, 1934. However, RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for repayment of deposits/ discharge of liabilities by the Company.

## **11. DIRECTORS AND KEY MANAGEMENT PERSONNEL**

During the year under review, Ms. Puja Sharma resigned from the Directorship of the Company w.e.f., 15<sup>th</sup> October, 2018. Further, Ms. Vickky Kumari has been appointed as Women Independent Director of the Company w.e.f., 26<sup>th</sup> September, 2018

Mr. Nishant Goyal has been appointed as Whole-time Director of the Company on 25<sup>th</sup> May, 2018 and Mr. Deepak Kumar Jha has been appointed as Company Secretary of the Company on 30<sup>th</sup> August, 2018.

## **12. MANAGEMENT DISCUSSION AND ANALYSIS:**

Management's Discussion & Analysis Report for the year under review, as stipulated under regulation 34(2)(e) of SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015, is presented as **Annexure-I** forming part of the Director's Report.

## **13. CORPORATE GOVERNANCE:**

The Company has in place the SEBI Regulations pertaining to corporate Governance.

The Corporate Governance Report for the financial year ended 31st March, 2019 giving the details as required under Regulation 34(3) read with Clause C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is given separately as **Annexure-II**.

The Corporate Governance Certificate for the financial year ended 31st March, 2019 issued by M/s Bhala & Bhala, Statutory Auditor of the Company is annexed as **Annexure-III**.

Mr. Nishant Goyal, Whole Time Director and Mr. Umesh Kumar Gupta, Chief Financial Officer of the Company, have given their certificate under Regulation 17(8) read with part B of Schedule II of SEBI (LODR) regarding Annual Financial Statements for the financial year ended 31st March, 2019 which is annexed as **Annexure IV**.

The Whole Time Director has given certificate under Regulation 34(3) of SEBI-LODR read with Part D of Schedule V of SEBI-LODR regarding compliance with the Code of Conducts of the Company for the financial year ended 31st March, 2019 which is attached as **Annexure-V**.

#### **14. SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, read with Regulation 24(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s Arvind Kushwaha & Associates, Company Secretaries in Whole-time Practice, was appointed to conduct Secretarial Audit for the year ended 31<sup>st</sup> March, 2019. M/s Arvind Kushwaha & Associates, Practicing Company Secretaries has submitted Report on the Secretarial Audit along with Secretarial Compliance Report attached as "**Annexure VI**" and further, M/s Vimal Chadha & Associates, Company Secretaries has provided the Certificate of Annual Secretarial Compliance Report as per the SEBI Circular SEBI CIR/CFD/CMD1/27/2019 dated February 08, 2019 and the report is attached as "**Annexure VII**" forms part of Director's Report. Your Directors state that the applicable secretarial standards pursuant to section 118 of the Companies Act, 2013 as prescribed by the Institute of Company Secretaries of India have been complied for the financial year 2018-19.

#### **15. INTERNAL AUDIT:**

Internal Audit was by M/s SHP & Associates. For conduction of Internal Audit for Financial Year ended 31st March, 2019, the Company had appointed M/s SHP & Associates as Internal Auditor of the Company.

#### **16. STATUTORY AUDITOR:**

As per Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company in its 31<sup>st</sup> Annual General Meeting approved the appointment of M/s. Bhala & Bhala, Chartered Accountants, as the Statutory Auditors of the Company for an initial term of 5 years. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. The Report given by M/s. Bhala & Bhala, Chartered Accountants on the financial statements of the Company for the year 2019 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

#### **17. STATEMENT OF PARTICULARS OF EMPLOYEES:**

None of the employee drew Rs. 5.00 lacs or more per month and Rs. 60.00 lacs or more per annum during the period. None of the top ten employees drew remuneration of Rs. 102.00 lacs or more per annum or Rs. 8.50 lacs or more per month during the financial year 2018-19. Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as **Annexure VIII** to this Report.

Such particulars shall also be made available to any Shareholder on specific request made by him in writing before the date of such Annual General Meeting.

#### **18. NON-EXECUTIVE DIRECTORS' COMPENSATION:**

A sitting fee of Rs. 5,000 per meeting (Board meeting including Committee, if held on same day) is paid to Independent Directors, for every meeting of the Board or Committee of the Board attended by them.

#### **19. REVIEW OF LEGAL COMPLIANCE REPORTS:**

During FY 2018-19, the Board periodically reviewed legal compliance reports with respect to the various laws applicable to the Company as prepared and placed before it by the Management.

#### **20. BOARD INDEPENDENCE:**

The definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. Based on the confirmation/ disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors are Independent. Statement on declaration is also annexed as **Annexure-IX**.



## **21. FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS:**

The Company has issued a formal letter of appointment to independent directors as provided in the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are placed on the Company's website.

## **22. EXTRACT OF ANNUAL RETURN:**

The extract of annual return for the financial year 2018-19 is attached as **Annexure-X** and also will be hosted on the website of the Company at [www.firl.co.in](http://www.firl.co.in).

## **23. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

The Statutory Auditors of the Company has not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made there under.

## **24. DISCLOSURE ON VIGIL MECHANISM:**

The Company has established a vigil mechanism through which directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee. Further information on the subject can be referred to in section "Disclosures"-Whistle-Blower Policy/ Vigil Mechanism of the Corporate Governance Report.

## **25. DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of Companies Act, 2013 and provisions of SEBI (Listing Obligation And Disclosure Requirement) Regulations, 2015 and in preparation of annual accounts for the financial year ended 31st March, 2019 and state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- they have 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 profits of the Company for that period;
- they have 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## **26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Considering the Company's activities as an Investment the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to its activities. There were no foreign exchange earnings and outgo during the year.

## **27. DEPOSITORY SYSTEM:**

The Company's Equity Shares are compulsorily tradable in electronic form. As on 31<sup>st</sup> March, 2019, out of the Company's total equity paid-up share capital (in nos.) comprising of 10,00,000 Equity Shares 6,16,300 Equity Shares are in de-mat form. In view of the numerous advantages offered by the Depository System, the Members holding shares in physical form are advised to avail the facility of de-materialization.

## **28. SCHEME OF ARRANGEMENT:**

At the Board Meeting held on 25th May, 2018, Company has passed Board Resolution regarding approval of scheme of amalgamation of M/s Indus Netlink Limited, K2 Infosolutions Private Limited and Castle Rock Advisors with Fortune Industrial Resources Limited and application with respect to which has also been filed to the concerned Stock Exchange. Further, as due to the show cause notice issued by RBI, the company decided to withdraw the Scheme of Arrangement as the Net Owned Fund (NOF) was slightly less in compare to the threshold limit. During the year, RBI passed an order for cancellation of the Certificate of Registration of the Company, and the company has filed an appeal against the order of the RBI with Department of Financial Services, Ministry of Finance. During the year under review, the appeal has been heard and the order has been reserved by the Department of Financial Services, Ministry of Finance.

## **29. LOAN GUARANTEE AND INVESTMENTS:**

The company, being a Non Banking Financial Company Registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934), thus the provisions of section 186 of the Companies Act, 2013 is not Applicable to the Company "

## **30. GREEN INITIATIVES:**

The Annual Report and other shareholder communications are all available in electronic as well as paper format. We would like to take this opportunity to encourage you to consider receiving all shareholder communications electronically, including future notices of meeting.

The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the depository participant(s), unless the members have registered their request for hard copy of the same. Physical copy of the notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their email address with the company or depository participant(s). Members who have received the notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

## **31. OTHER POLICIES UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

In accordance with the provisions of Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has formed policy for determination of materiality for disclosures of events or information. The same has been hosted on the website of the Company. Further, the Company has also formed (i) Policy for preservation of Documents and (ii) Archival policy for disclosures hosted in the website.

## **32. APPRECIATION:**

The Directors would like to place on record their gratitude for the valuable guidance and support received from RBI, SEBI, Registrar of Companies and other government and regulatory agencies and all other business associates for the continuous support given by them to the Company. The Directors also place on record their appreciation of the commitment, commendable efforts, team work and professionalism of all the employees of the Company.

For and on behalf of Board  
**Fortune Industrial Resources Limited**

Date: 12-08-2019  
Place: New Delhi

**Nishant Goyal**  
**Whole-time Director**  
**DIN: 08153024**

**Vicky Kumari**  
**Director**  
**DIN: 08248219**

### ANNEXURE FORMING PART OF BOARD REPORT

The Annexure referred to in this report and other information which are required to be disclosed are annexed herewith and form the part of this Board Report.

<b>Particulars</b>	<b>Annexure</b>
Management Discussion and Analysis Report	Annexure-I
Corporate Governance Report	Annexure-II
Certificate from Statutory Auditor on Corporate Governance Report	Annexure-III
Managing Director's Certificate under Regulation 34(3) read with part D of Schedule v of SEBI-LODR on compliance with Codes of conduct	Annexure-IV
Certificate from CEO and CFO- pursuant to Regulation 17(8) of SEBI(Listing Obligation and Disclosure Requirement)Regulation, 2015	Annexure-V
Secretarial Audit Report	Annexure-VI
Annual Secretarial Compliance Report as per the SEBI Circular SEBI CIR/CFD/CMD1/27/2019 dated February 08, 2019	Annexure-VII
Particulars of Employees pursuant to Section 134(3)(q) of the Companies Act, 2013	Annexure-VIII
Statement on declaration by Independent Director	Annexure-IX
Extract of Annual Return- MGT-9	Annexure-X

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**FINANCIAL YEAR OF THE COMPANY:** The Financial Year of the Company continues to remain twelve month of financial year starting with 1st April of every financial year.

**DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:** The financial statements are prepared in compliance with the requirements of the Companies Act, 2013 and the Accounting Standards prescribed by the Institute of Chartered Accountants of India and Generally Accepted Accounting Principles in India.

**OPERATIONS:** Your Company continues to take effective steps in broad basing of its range and activities.

**INDUSTRY STRUCTURE AND DEVELOPMENT:** The Company is engaged in the business of Investment in Securities and providing Loans and Advances. The Company is registered with the Reserve Bank of India (RBI) as a non deposit taking NBFC. During the year under review, the Capital Market got a boost after the election of new government which was formed with absolute majority considering the improved market environment, the company has started giving more stress on equity research and investment activities. Barring unforeseen circumstances, the company should be able to maintain good performance.

**OPPORTUNITIES AND THREATS:** The growth of the company is subject to opportunity and threats as are applicable to the Industry from time to time.

**RISK AND CONCERN:** While risk is an inherent aspect of any business, the Company is conscious of the need to have an effective monitoring mechanism and has put in place appropriate measures for its mitigation including business portfolio risk, financial risk, legal risk and internal process risks.

**FUTURE OUTLOOK:** In the near future, the Company intends to continue to focus on its current business of investment, management consultation.

**MATERIAL CHANGES AND COMMITMENTS** There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this Report.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:** Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board`s report. To ensure effective Internal Financial Controls the Company has laid down the following measures the Company has a well placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly.

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company 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.

**DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT:**FIRL has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. The Risk Management Committee of the Board is responsible for preparation of Risk Management Plan, reviewing and monitoring the same on regular basis, identifying and reviewing critical risks on regular basis and reporting of key changes in critical risks to the Board on an ongoing basis, reporting of critical risks to Audit Committee in detail on yearly basis and such other functions as may be prescribed by the Board.

**SEGMENT WISE PERFORMANCE:** The Company operates in one Segment only.

**HUMAN RESOURCES:** The Company seeks respects and values the diverse qualities and background that its people bring to it and is committed to utilizing the richness of knowledge, ideas, experience that this diversity provides. The Company has built a resource base and cross-functional managers to take care of multi dimensional businesses.

**DISCLOSURES:** During the year the Company has not entered into any transaction of material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company at large.

**CAUTIONARY FORWARD LOOKING STATEMENTS:** Statements in the Annual Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

For those statements the Company cautions that numerous important factors could affect the Company's actual results and could cause its results to differ materially from those expressed in any such forward looking statements.

For and on behalf of Board  
**Fortune Industrial Resources Limited**

Date: 12-08-2019  
Place: New Delhi

**Nishant Goyal**  
**Whole-time Director**  
**DIN: 08153024**

**Vicky Kumari**  
**Director**  
**DIN: 08248219**

**REPORT ON CORPORATE GOVERNANCE**

This Corporate Governance Report relating to the year ended 31st March, 2019 has been issued in compliance with the requirement of Regulation 34(3) read with Clause C of Schedule V of SEBI(Listing Obligations and Disclosure Requirements)Regulation, 2015 and forms a part of the Report of Board of Directors to the members of the Company.

**PHILOSOPHY ON CODE OF GOVERNANCE****I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Company's Philosophy on Code of Corporate Governance Good governance practices stem from the culture and mindset of the organization. Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal aspirations. The Company emphasizes on good Corporate Governance and believes in maintaining highest standards of quality and ethical conduct in all activities of the Company. The Company strongly believes in fair, efficient and transparent business operations, fairness to all stakeholders in the Company, proper disclosure of relevant financial and non-financial information and enhancing shareholder value on a continuing basis.

Securities and Exchange Board of India (SEBI) has on July 16, 2019 issued circular regarding format for compliance report on Corporate Governance to be submitted to Stock Exchange (s) by listed entities. The format specified in the annexure to this circular shall replace the format specified in the annexure to the SEBI circular dated September 24, 2015. The circular shall come into force with effect from the quarter ended September 30, 2019.

**KOTAK COMMITTEE ON CORPORATE GOVERNANCE**

The Securities and Exchange Board of India ('SEBI') accepted some of the recommendations with or without modifications on 28th March, 2018 of the Kotak Committee on Corporate Governance and consequently, on 9th May, 2018 the SEBI amended (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Your Company welcomes this progressive step of SEBI and has already been in compliance with many of the recommendations made by the Kotak Committee as part of its Corporate Governance framework. The Company shall ensure that its governance framework incorporates the amendments introduced in the Listing Regulations and the same are complied with on or before the effective date.

**II. BOARD OF DIRECTORS****A. BOARD'S COMPOSITION AND CATEGORY****DIRECTORS**

The composition of the Board is in accordance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the Listing Regulations, with an appropriate combination of Non-Executive Directors and Independent Directors.

During the year under consideration, the Company had Four member Board of Directors consisting of two Non Executive Independent Directors, One Non Executive Non Independent Director and One Whole Time Director.

**Appointments**

Ms. Vickky Kumari joined the Board as Woman Independent Additional Director w.e.f 26.09.2018.

**Resignation/ Vacation**

- Mr. Ankur Gupta has also resigned from the position of Whole Time Director w.e.f 12.05.2018.
- Mr. Nishant Goyal had joined the position of Whole Time Director w.e.f 25.05.2018.
- Neha Sarpal had joined the position of Company Secretary Cum Compliance Officer w.e.f 13<sup>th</sup>February, 2018 only and further she resigned from the company with effect from 31<sup>st</sup> July, 2018 due to her pre-occupation.

- Mr. Deepak K Jha, Company Secretary had also joined the position of Company Secretary Cum Compliance Officer w.e.f 30<sup>th</sup> August, 2018.
- Ms. Puja Sharma has also resigned w.e.f 26.09.2018. Ms. Vickky Kumari joined the Board w.e.f 26.09.2018.

### Re-appointment

Mr. Sanjeev Agrawal, Non Executive Director will retire at the ensuing Annual General Meeting and being eligible, offer himself for re-election.

All Directors have certified that the disqualifications mentioned under Section 164, 167 and 169 of the Companies Act, 2013 do not apply to them. The details of training and familiarization programmes and Annual Board Evaluation process for Directors have been provided under the Corporate Governance Report.

The Policy on Director's appointment and remuneration including criteria for determining qualification, positive attributes, Independence of directors and also remuneration for Key Managerial Personnel and other employees forms part of this Annual Report.

The details relating to Composition & Category of Directors, Directorships held by them in other Companies and their membership and chairmanship on various Committees of Board of other Companies, as on 31st March, 2019 is as follows:

### CLASSIFICATION OF BOARD

CATEGORY	No. OF DIRECTORS	% OF TOTAL NO. OF DIRECTORS
Executive Directors	1	0.25
Non Executive Independent Directors(including Woman Director)	2	0.50
Non Executive Director	1	0.25
Total	4	100.00

### COMPOSITION AND DIRECTORSHIP(S)/COMMITTEE MEMBERSHIP(S)/CHAIRMANSHIP(S) AS ON 31ST MARCH, 2019

Name	Date of Joining on the Board	Directorship in other Companies <sup>#</sup>	Membership(s) of the Committees of other Companies <sup>##</sup>	Chairmanship of the Committees of other Companies <sup>##</sup>
<b>Non-Executive Director</b> Sanjeev Agrawal	15.02.2010 Regularized on 30.09.2010	11	NIL	NIL
<b>Independent Director</b> Ms. Vickky Kumari	13.02.2018	1	NIL	NIL
<b>Independent Director</b> Mr. Pankaj Gupta	15.11.2016 Regularized on 30.09.2016	1	NIL	NIL
<b>Executive Director</b> Nishant Goyal	25.05.2018 Regularized on 25.09.2018	1	NIL	NIL

<sup>#</sup>Foreign Companies, Alternate Directorships and Companies under Section 8 of the Companies Act, 2013 are excluded for the above purpose. Number of Directorship in other companies is counted excluding the present company.

<sup>##</sup>includes only Audit Committee & Nomination and Remuneration Committee. The number of Directorships, Committee Memberships/ Chairmanships of all Directors is with respective limits prescribed under the Companies Act, 2013 and Listing Agreement.

**DISCLOSURE OF RELATIONSHIP OF DIRECTORS INTERSE:**

None of the Directors have any pecuniary relationship inter-se.

**NUMBER OF BOARD MEETING CONDUCTED DURING THE YEAR UNDER REVIEW**

The Board meets at regular intervals to discuss and decide on Company/ Business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting. The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Delhi.

The Company had 8 (Eight) Board Meetings during the financial year under review.

During the Financial Year ended 31st March, 2019, Eight Board meetings were held on 12th April, 2018, 16<sup>th</sup> May, 2018, 25th May, 2018, 31<sup>st</sup> July, 2018, 30th August, 2018, 26<sup>th</sup> September, 2018, 10<sup>th</sup> November, 2018 and 11th February, 2019.

The maximum gap between any two meetings was maximum one hundred and twenty days, as stipulated under Regulation 17 of the Listing Regulations and Secretarial Standards.

**SEPARATE INDEPENDENT DIRECTORS' MEETINGS**

The Independent Directors meet at least once in a year without the presence of Executive Directors or Management representatives, to discuss issues and concerns, if any and inter alia discussed:

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

In addition to these formal meetings, interactions outside the Board Meetings also take place between the Independent Directors. For the financial year ended 31st March, 2019 the meeting of Independent Directors was held on 13<sup>th</sup> March, 2019.

**POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY**

The Nomination and Remuneration Committee (NRC) of the Company comprises Ms. Vicky Kumari, Chairperson, Mr. Pankaj Gupta, Member and Mr. Sanjeev Agrawal, Member. The NRC develops the competency requirements of the Board based on the industry and strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors, before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarized with the operations of the Company and endeavours to provide relevant training to the Directors. In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Policy on Board Diversity and Director Attributes and a Remuneration Policy. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

The Company has also adopted a 'Fit and Proper' Policy for ascertaining the 'fit and proper' criteria to be adopted at the time of appointment of directors and on a continuing basis, pursuant to the RBI Master Directions for NBFCs.

**DIRECTORS' INDUCTION AND FAMILIARIZATION**

The Company has familiarized the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The detail of the familiarization programme is available on the website of the Company.

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction process is designed to:

- a. provide an appreciation of the role and responsibilities of the Director;
- b. fully equip Directors to perform their role on the Board effectively; and;
- c. develop understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of Director's induction and familiarization are available on the website of the Company.



## **BOARD MEMBERSHIP CRITERIA**

Fit and Proper Criteria & Code of Conduct; All the Directors meet the fit and proper criteria stipulated by RBI. All the Directors of the Company have affirmed compliance with the Code of Conduct of the Company.

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows a defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

## **CONSTITUTION OF COMMITTEES**

With the change in composition of Board, various Committees of your Board have been constituted/re-constituted. The reconstituted committees are hereunder:

### **AUDIT COMMITTEE**

The Company's Audit Committee comprises all the three Non-Executive Directors out of which two are Independent Directors.

The Audit Committee is headed by Mr. Pankaj Gupta, as Chairman of the Committee.

#### **Audit Committee Composition**

Mr. Pankaj Gupta - Chairman  
Mr. Sanjeev Agrawal - Member  
Ms. Vickky Kumari - Member

### **TERM OF REFERENCE**

Term of Reference of Audit Committee cover all the areas mentioned under Section 177 of the Companies Act, 2013 and Regulation 18 read with part C of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. All the members of the Committee have relevant experience in financial matters. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; reviewing and examination with management the quarterly financial results before submission to the Board, the annual financial statements before submission to the Board and the Auditors' Report thereon, management discussion and analysis of financial condition and results of operations, scrutiny of inter-corporate loans and investments made by the Company, reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company, approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate, recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services; reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process; reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors; discussing with Statutory Auditors, before the audit commences, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any; reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems; recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company; reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues; evaluating internal financial controls and risk management systems; valuating undertaking or assets of the Company, wherever it is necessary; reviewing

the functioning of the Whistle Blowing Mechanism; The Audit Committee also reviews the functioning of the Code of Business Principles and Whistle Blower Policy of the Company and cases reported thereunder.

The recommendations of audit committee were duly approved and accepted by the Board.

The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board.

The Audit Committee met five times during the Financial Year ended 31st March, 2019 on 25<sup>th</sup> May, 2018, 31<sup>st</sup> July, 2018, 30<sup>th</sup> August, 2018, 10<sup>th</sup> November, 2018 and 11<sup>th</sup> February, 2019.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises;

### **Nomination Committee composition**

Ms. Vickky Kumari - Chairperson  
Mr. Sanjeev Agrawal- Member  
Mr. Pankaj Gupta - Member

In terms of Section 178 (1) of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, Nomination and Remuneration Committee was re-constituted and the Nomination and Remuneration Committee comprise of three Directors; all of whom are Non-Executive Directors and half of the Committee members are Independent Directors and Independent Director is acting as the Chairman of the Committee.

### **TERM OF REFERENCE**

The role of Nomination and Remuneration Committee is as follows:

Determine/ recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board; Determine/ recommend the criteria for qualifications, positive attributes and independence of Director; Identify candidates who are qualified to become Directors and who may be appointed in the Management Committee and recommend to the Board their appointment and removal; Formulate criteria and carryout evaluation of each Director's performance and performance of the Board as a whole;

The Nomination Committee met six times during the Financial Year ended 31<sup>st</sup> March, 2019; i.e., 12<sup>th</sup> April, 2018, 16<sup>th</sup> May, 2018, 31<sup>st</sup> July, 2018, 30<sup>th</sup> August, 2018, 26<sup>th</sup> September, 201 and 10<sup>th</sup> November, 2018.

### **APPOINTMENT AND TENURE**

The Directors of the Company are appointed by members at the General Meetings. In accordance with the Articles of Association of the Company, all Directors, except the Managing Director and Independent Directors of the Company, step down at the Annual General Meeting each year and, if eligible, offer themselves for re-election.

The Managing Director of the Company is appointed for a term of five years as per the requirement of the statute. The Executive Directors on the Board serve in accordance with the terms of their contract of service with the Company.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and Listing Agreement.
- The Independent Directors will serve a maximum of two terms of five years each.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Companies Act, 2013.

### **BOARD EVALUATION**

The participation, attendance and contribution of Independent Directors not only during the proceeding of meeting but also beyond meeting hours were appreciated. The knowledge, experience and advice shared by the Independent Directors from time to time have ensured governance and good conduct, adherence to laws, mitigating risks and growth even during

these difficult business environment. The overall outcome from the evaluation was that the Board and its individual directors were performing effectively.

#### **LIMIT ON THE NUMBER OF DIRECTORSHIPS**

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he/she is serving as a Whole-Time Director in any Listed Company, does not hold such position in more than three Listed Companies.

#### **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

<b>Name</b>	<b>Designation</b>	<b>No. of Shares Held AS ON 31.03.2019</b>
Mr. Sanjeev Agrawal	Non Executive Director	420500 (42.05 %)
Ms. Vickky Kumari	Independent Director	NIL
Mr. Pankaj Gupta	Independent Director	NIL
Mr. Nishant Goyal	Executive Director	NIL

#### **REMUNERATION TO DIRECTORS:** (criteria of making payments to non-executive directors)

The Non Executive Directors and Whole Time Director does not receive sitting fee for attending meeting of Board and its Committee. None of the Directors had any pecuniary relationship or transaction with the Company during the year.

#### **DIRECTORS' ATTENDANCE RECORD**

The following table shows attendance of Directors at the Board and Committee meeting(s) for the year ended 31st March, 2019. Attendance is presented as number of meeting(s) attended, (including meetings attended through electronic mode) out of the number of meeting(s) required to be attended.

<b>Name</b>	<b>Board Meeting</b>	<b>Audit Committee</b>	<b>Nomination and Remuneration Committee</b>	<b>Separate meeting of Independent Directors 13.03.2019</b>	<b>Whether attended AGM 2018</b>
Mr. Sanjeev Agrawal	8 of 8	5 of 5	6 of 6	NA	YES
Mr. Nishant Goyal	6 of 6	5 of 5	4 of 4	NA	YES
Mr. Pankaj Gupta	8 of 8	5 of 5	6 of 6	YES	YES
Ms. Vickky Kumari	3 of 3	2 of 2	2 of 2	YES	NA
Mr. Ankur Gupta	1 of 1	NA	1 of 1	NA	NA
Ms. Puja Sharma	5 of 8	3 of 3	4 of 4	NA	YES

#### **ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY**

Preparation of Financial Statements as per IND AS is not applicable on the Company.

#### **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY**

In accordance with the requirement of Corporate Governance, the Board of Directors of the Company has formulated a code of conduct for Directors and Senior Management of the Company, the Compliance of which have been affirmed by all Board Members and Senior Management of the Company.

#### **DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN LISTING REGULATIONS**

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

### **DETAILS OF NON-COMPLIANCE BY THE COMPANY**

FIRL has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital market during the last three years.

### **COMPLIANCE WITH MANDATORY REQUIREMENTS AND NON MANDATORY REQUIREMENTS**

The Company has complied with all applicable mandatory requirements of the Listing Regulations. Quarterly Compliance Report on Corporate Governance, in the prescribed format, duly signed is submitted with the Stock Exchanges where the shares of the Company are listed.

### **ADOPTION OF DISCRETIONARY REQUIREMENTS**

- 1) Maintenance of the Chairman's Office: NA
- 2) Modified opinion(s) in Audit Report: The Auditors have raised no qualifications on the financial statements of the Company.
- 3) Reporting of Internal Auditors: The Internal Auditors of the Company report directly to the Audit Committee. The Company is also in compliance with the NBFC – Corporate Governance (Reserve Bank) Directions, 2015. Annual listing fees, as prescribed, have been paid to the said stock exchanges up to 31<sup>st</sup> March 2020.

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

Pursuant to the approval from the Ministry of Corporate Affairs (MCA), the Institute of Company Secretaries of India (ICSI) has, on 14 June 2017, revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) effective from 1 October 2017. The Company is compliant with the same. The Company has complied with each one of them.

### **DETAILS OF COMPLAINTS RECEIVED FROM SHAREHOLDERS:**

No. of Complaints Remaining unresolved as on 01.04.2018	NIL
No. of Complaints received during the year	NIL
No. of Complaints resolved during the year	NIL
No. of complaints unresolved as on 31.03.2019	NIL

### **INSIDER TRADING CODE:**

The Company has in place an Insider Trading Code for compliance with the Securities And Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

**DISCLOSURE ON WEBSITE:** The following information has been disseminated on the website of the Company at [www.firl.co.in](http://www.firl.co.in); 1. Details of business of the Company 2. Terms and conditions of appointment of Independent Directors 3. Composition of various Committees of Board of Directors 4. Code of Conduct for Board of Directors and Senior Management Personnel 5. Details of establishment of vigil mechanism/Whistle Blower policy 6. Criteria of making payments to Non-Executive Directors 7. Policy on dealing with Related Party Transactions 8. Policy for determining material subsidiaries 9. Details of familiarization programmes imparted to Independent Directors 10. Policy for determination of materiality of events.

### **POLICIES OF THE COMPANY**

The SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 mandated the formulation of certain policies. All our Corporate Governance policies are available on our website, which are reviewed periodically by the Board and updated based on need and new compliance requirement. In addition to the code of conducts and ethics, key policies that have been adopted by the Company are as follows;

<b>NAME OF THE POLICY</b>	<b>BRIEF DESCRIPTION</b>	<b>WEBLINK</b>
<b>WHISTLE BLOWER MECHANISM(POLICY ON VIGIL MECHANISM)</b>	The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. Employees can also send written communications to the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy. All cases registered under the Code of Business Principles and the Whistle Blower Policy of the Company, are reported to the Committee of Executive Directors and are subject to the review of the Audit Committee.	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>
<b>NOMINATION AND REMUNERATION POLICY</b>	This policy formulates the criteria for determining qualifications, competencies, positive attitudes and independence for the appointment of Director(Executive/Non Executive) and also for determining remuneration of Directors and Key Managerial Personnel	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>
<b>POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS</b>	The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>
<b>DOCUMENT PRESERVATION POLICY</b>	This policy attempts to preserve and maintain documents of the Organization. In order to preserve such documents, the Company needs to implement a well-considered, well-documented plan to ensure that they remain in good condition over a period of time.	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>
<b>POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENT</b>	The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>
<b>ARCHIVES MANAGEMENT POLICY</b>	The purpose of this policy is to establish the framework needed for effective records management at FIRL. This policy provides advice to FIRL employees on the creation and use of records, and sets standards for classifying, managing and storing those records. It therefore provides a framework for the management of information consistent with the Strategic Plan.	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>
<b>INSIDER TRADING CODE:</b>	The Company has in place an Insider Trading Code for compliance with the Securities And Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for dealing with the	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>

	Securities of the Company	
<b>FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION</b>	The company has adopted a "Fair Disclosure of Unpublished Price Sensitive Information" SEBI has vide notification dated December 31, 2018, amended SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 1 <sup>st</sup> April, 2019.	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>

#### **PREVENTION OF SEXUAL HARRASMENT AT WORKPLACE:**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees (ICC). During the year, no complaints with allegations of sexual harassment were filed with the Company and the same were investigated.

The following is a report pursuant to section 22 of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

1. No. of complaints of sexual harassment received during the year- **NIL**
2. No. of complaints disposed off during the year-**NIL**
3. No. of cases pending for more than 90 days- **NIL**
4. Nature of action taken by the employer-**NIL**

#### **WHISTLE-BLOWER POLICY / VIGIL MECHANISM**

The Company promotes ethical behaviour in all its business activities and in line with the best international Governance practices, FIRL has established a system through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's Code of Conduct without fear of reprisal. The Company has set up a Direct initiative, under which all Directors, employees / business associates have direct access to the Chairman of the Audit Committee, and also to a three-member team established for this purpose.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website [www.firl.co.in](http://www.firl.co.in).

#### **FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

The company adopts the policy for any information relating to the company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the financial results, dividends, change in capital structure; mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions, changes in key managerial personnel.

#### **GENERAL BODY MEETINGS**

Details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:

<b>Financial year ended</b>	<b>Venue</b>	<b>Date &amp; Time</b>	<b>Special Passed</b>	<b>Resolution</b>
31 <sup>st</sup> March, 2018	25, Bazar Lane, Bengali Market, New Delhi-110001	25.09.2018 10.30 AM	YES	
31 <sup>st</sup> March, 2017	153/1, Nirankari Colony, Delhi-110009	10.07.2017 10.00 AM	NA	
31 <sup>st</sup> March, 2016	153/1, Nirankari Colony, Delhi-110009	30.09.2016 10.00 AM	NA	

During the period, no Extra-Ordinary General Meetings of the Company was held.

#### **MEANS OF COMMUNICATION**

**Quarterly Financial Results:** Quarterly financial results are circulated to the Stock Exchange Limited, where the equity

shares of the Company are listed. The financial results-quarterly, half yearly and annual results and other statutory information are communicated to the shareholders by way of advertisement in an English newspaper and in a vernacular language newspaper viz; Naya India and Financial Express. The quarterly approved results are displayed on website of Stock Exchange and on the website of the Company i.e., <http://www.firl.co.in/investors>.

## **GENERAL SHAREHOLDERS' INFORMATION**

### **AGM FOR FINANCIAL YEAR 2017-18**

<b>Date and Time</b>	<b>25<sup>th</sup> September, 2018</b>
<b>Venue</b>	25, Bazaar Lane, Bengali Market, New Delhi-110001
<b>Time</b>	10.30AM

### **PLEDGE OF SHARES:**

No pledge has been created over the Equity Shares held by the promoters as on 31<sup>st</sup> March, 2019. The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

<b>Name &amp; Address of the Stock Exchanges</b>	<b>Stock Code/Script Code</b>	<b>ISIN Number for NSDL/CDSL (Dematerialized share)</b>
Metropolitan Stock Exchange of India Limited (MSEI) Vibgyor Towers, 4th floor, Plot No C 62, G - Block, Opp. Trident Hotel, BandraKurla Complex, Bandra (E), Mumbai - 400 098, India	SCRIP CODE:FIRL	ISIN: INE510L01017

### **CALENDAR OF FINANCIAL YEAR ENDED 31<sup>st</sup>MARCH, 2019**

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year ended 31<sup>st</sup> March, 2019 were held on the following date:

First Quarter Results	31 <sup>st</sup> July, 2018
Second Quarter and Half yearly Results	11 <sup>th</sup> November, 2018
Third Quarter Results	11 <sup>th</sup> February, 2019
Fourth Quarter and Annual Results	29 <sup>th</sup> May, 2019
Book Closure date	20 <sup>th</sup> September, 2019 to 26 <sup>th</sup> September, 2019
Cut Off date	19 <sup>th</sup> September, 2019
E voting	23 <sup>rd</sup> September, 2019(09.00 AM) to 25 <sup>th</sup> September, 2019(5.00 PM)
Scrutinizer for E Voting	Arvind Kushwaha & Associates

### **ADDRESS FOR CORRESPONDENCE**

All communication regarding share transactions, changes in address, bank mandates, nomination etc. should be addressed to Registrar and Share Transfer Agents of the Company.

Mr. Deepak K Jha <b>Registered Office:</b> 25, bazaar Lane, Bengali Market, New Delhi-11001 Tel. No.: 011-43585000; Fax: 011-43585015 E-mail:firl.nbfc@gmail.com	<b>Registrar and Transfer Agent:</b> MAS Services Limited T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020 Ph: - 26387281/82/83 Email: - info@masserv.com Website: www.masserv.com Fax :- 26387384
Last date of receiving Proxy forms:	24 <sup>th</sup> September, 2019

## **Market Information**

### **SHARE TRANSFER SYSTEM**

All share transfer and other communications regarding share certificates, change of address, etc should be addressed to Registrar and Transfer Agents. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

### **DEMATERIALISATION OF SHARES AND LIQUIDITY**

Trading in equity shares of the Company in dematerialized form became mandatory from May 31, 1999. To facilitate trading in de-mat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). FIRC has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

The Company's shares are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent.

### **NOMINATION FACILITY FOR SHAREHOLDING**

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

### **PERMANENT ACCOUNT NUMBER (PAN)**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates. The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2019, is given.

### **OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity are not applicable on the company.

### **DISCLOSURES AND INFORMATION**

The Company has complied with the requirements of Stock Exchange/SEBI/ statutory authorities on all matters relating to Capital Market. No strictures being imposed by SEBI or Stock Exchanges during the year. The Board of Directors receives from time to time, disclosures relating to financial and commercial transactions from Key Managerial Personnel of the Company, where they and/or their relatives have personal interest. The particulars of transactions between the Company and its related parties are as per the Accounting Standard set out in the Audited financial reports. There were no instances of non compliances with the Company or any penalties or strictures imposed on the Company by Stock Exchange or SEBI.

### **MATERIAL CONTRACTS/TRANSACTIONS CONCERNING DIRECTOR'S INTEREST**

There has been no transaction of material, financial and commercial nature that may have a potential conflict with the interest of your Company during the period under review.

### **DETAILS REGARDING SENIOR MANagements' MATERIAL FINANCIAL AND COMMERCIAL TRANSACTIONS**

There has been no transaction of material, financial and commercial nature having personal interest of the senior management that may have a potential conflict with the interest of the Company at large during the period under review.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**



NIL. No presentations were made to institutional investors and analysts during the year. There have been no public issues, right issues or other public offering during the year.

**Distribution of Shareholding as on March 31, 2019: BY SIZE**

No. of Shares held	Shareholders		Shares Held	
	Numbers	%age	Numbers	%age
Upto 5000	75	72.82%	46500	4.65
5001-10000	20	19.41%	142800	14.28
10001 & Above	8	7.77%	810700	81.07
<b>Total</b>	<b>103</b>	<b>100%</b>	<b>1000000</b>	<b>100.00</b>

**Top Ten Shareholders as on 31<sup>st</sup> March, 2019**

Sr. No.	Name of the shareholders	No. of Shares	% of Capital
1.	Mr. Mukesh Aggarwal	69200	6.92
2.	Sapbelle Trade Links Private Limited	48000	4.80
3.	Om Prakash Verma	47000	4.70
4.	Ashok Saxena	15000	1.50
5.	Jeewan Das	9800	0.98
6.	Mohit	8800	0.88
	Hukumchand	8800	0.88
7.	Rakesh	8700	0.87
8.	Darshan Kumar	8600	0.86
9.	Radhey Shyam	7800	0.78
10.	Davinder Kapill	7500	0.75
	<b>Total</b>	<b>239200</b>	<b>23.92%</b>

**Categories of Shareholder as on: 31<sup>st</sup> March, 2019**

S. NO.	CATEGORY	NO. OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDING
1.	Promoter company	NIL	NIL	NIL
2.	Promoter Individual/HUF	3	616300	61.63
3.	Directors	NIL	NIL	NIL
4.	Directors relative	NIL	NIL	NIL
5.	Mutual fund	NIL	NIL	NIL
6.	Foreign institutional investors	NIL	NIL	NIL
7.	Financial institutions	NIL	NIL	NIL
8.	Central govt./state govt.	NIL	NIL	NIL
9.	NRI	NIL	NIL	NIL
10.	Banks	NIL	NIL	NIL
11.	Resident Individuals holding nominal share capital upto Rs. 1 lakh	99	189300	18.93
	holding nominal share capital in excess of Rs. 1 lakh		146400	14.61
12.	Overseas Body Corporate	NIL	NIL	NIL
13.	Trust	NIL	NIL	NIL
14.	Others	1	48000	4.80
	<b>TOTAL</b>	<b>103</b>	<b>1000000</b>	<b>100.00</b>

For and on behalf of Board  
**Fortune Industrial Resources Limited**

Date: 12-08-2019  
Place: New Delhi

**Nishant Goyal**  
Whole-time Director  
DIN: 08153024

**Vicky Kumari**  
Director  
DIN: 08248219

**CERTIFICATE ON CORPORATE GOVERNANCE****The Members  
Fortune Industrial Resources Limited**

1. This certificate is issued in accordance with our engagement with the company.
2. This certificate contains details of compliance of conditions of corporate governance by Fortune Industrial Resources Limited ("the Company") for the financial year ended 31<sup>st</sup> March, 2019 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46(2) and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock exchanges.

**MANAGEMENT'S RESPONSIBILITY FOR COMPLIANCE WITH THE CONDITIONS OF LISTING REGULATIONS**

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

**AUDITOR'S RESPONSIBILITY**

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the financial year ended 31<sup>st</sup> March, 2019.
6. We conducted our examination of the statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

**OPINION**

7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**RESTRICTION ON USE**

9. The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Bhala & Bhala  
Chartered Accountants  
FRN No.:021008N**

Place: New Delhi  
Date: 12.08.2019

**Mayank Somani  
Partner  
M.No.:528084**

**ANNUAL CERTIFICATE UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION, 2015**

**To,**

**The Members  
Fortune Industrial resources Limited  
25, Bazar Lane, Bengali Market, New Delhi-110001**

In accordance with Regulation 34(3) READ WITH PART D OF SCHEDULE V OF SEBI(LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION, 2015, I hereby confirm that, all the directors and Senior Management personnel of the Company have affirmed compliance with the respective code of conducts, as applicable to them, for the financial year ended March 31, 2019.

By and on behalf of Board  
For **Fortune Industrial Resources Ltd.**

**Nishant Goyal  
Whole Time Director  
DIN:08153024**

Place: New Delhi  
Dated: 12<sup>th</sup> August, 2019

**CEO AND CFO CERTIFICATION**

To,

**The Members****Fortune Industrial Resources Ltd.****25, Bazar Lane, Bengali****Market, New Delhi-110001**

In accordance with Regulation 17(8) of SEBI(Listing Obligation and Disclosure Requirement)Regulation, 2015, we hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31<sup>st</sup> March, 2019 and based on our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibilities for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated whatever applicable to the Auditor and Audit Committee.
- i. significant changes, if any, in the internal control over financial reporting during the year;
  - ii. significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For **Fortune Industrial Resources Limited**

**Nishant Goyal**  
**Whole Time Director**  
**DIN:08153024**

**Umesh Kumar Gupta**  
**Chief Financial Officer (CFO)**  
**PAN: AHYPG9308A**

Dated: 12<sup>th</sup> August, 2019

Place: New Delhi

**Form No. MR-3**  
**Secretarial Audit Report**

For the financial year ended March 31, 2019

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

**To,**  
**The Members,**  
**Fortune Industrial Resources Limited**  
25, Bazar Lane, Bengali Market, New Delhi-110001

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Fortune Industrial Resources Limited** (hereinafter called the Company) for the Financial Year ended 31st March, 2019.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Fortune Industrial Resources Limited** (hereinafter called the Company) for the Financial Year 2018-19. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**Management's Responsibility for Secretarial Compliances**

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

**Opinion**

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- I. The Companies Act, 2013 (the Act) and the Rules made there under, as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; - effective from May 15, 2015;
  - d) Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in relation to Employee Stock Option Scheme;
  - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h) Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2009; and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

**We have also examined compliance with the applicable clauses of the following:**

- i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with Metropolitan Stock Exchange of India Limited.
- iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - effective from December 1, 2015.

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

We have relied on the representation obtained from the management of the Company and based on the report received, there has been due compliance with the laws and regulation as applicable to the Company.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**Based on Information received & records maintained, we further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, if any.

We further report that there is scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Arvind Kushwaha & Associates  
Company Secretaries**

**Arvind Kumar Kushwaha  
Proprietor  
C.P. No.45635  
ACS M. No. 16758**

**Place: New Delhi  
Date: 12 August 2019**

**Note: This report is to be read with our letter of even date, which is annexed as Annexure A and forms integral part of this report.**

**To,  
The Members,  
Fortune Industrial Resources Limited**  
25, Bazar lane, Bengali Market, New Delhi 110001

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as we were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We have not checked the compliances of general law applicable to the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Arvind Kushwaha &  
Associates Company  
Secretaries**

**Arvind Kumar  
Kushwaha Proprietor  
C.P. No.45635  
ACS M. No. 16758**

**Place: New Delhi  
Date: 12August, 2019**

**SECRETARIAL COMPLAINEE REPORT OF FORTUNE INDUSTRIAL RESOURCES LIMITED FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2019**

(Pursuant to SEBI CIR/CFD/CMD1/27/2019 dated February 08, 2019)

I have examined :-

- a) All the documents and records made available to us and explanation provided by **Fortune Industrial Resources Limited** ("the listed Entity")
- b) The filings/submission made by the listed entity to the stock exchanges,
- c) Website of the listed entity,
- d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification for the year ended 31<sup>st</sup> March, 2019 ("Review Period") in respect of compliance with the provision of:
  - (a) The securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there-under; and
  - (b) The Securities Contracts (Regulation) Act, 1956, ("SCRA"), rules made there under and the regulations, circulars, guidelines issued there-under by the Securities and Exchange Board of India ("SEBI")

**The Specific Regulations, whose provisions and the circulars/guidelines issued there-under have been examined, include:-**

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable during the review Period.**
- c) Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers)-
- d) Securities and Exchange Board of India (Buyback of Securities ) Regulations, 2018, - **Not Applicable during the review Period**
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 - **Not Applicable during the review Period.**
- f) Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008:- **Not Applicable during the review Period**
- g) Securities and Exchange Board of India (Issue and Listing of Non-convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable during the review period.**
- h) Securities and Exchange Board of India (Prohibition of insider Trading regulations, 2015
- i) and circulars/guidelines issued there-under from time to time.

And based on the above examination, I hereby report that, during the Review Period:-

- a) The listed entity has complied with the provisions of the above regulations and circulars/guideline issued there-under, except in respect of matters specified below:-

S No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing company Secretary
	NIL	No Deviations	NIL

- b) The listed entity has maintained proper records under the provision of the above regulations and circulars/ guidelines issued there – under in so far as it appears from our examination of those records.

- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by stock Exchange (including under the standard Operating Procedure issued by SEBI through various circulars) under the Aforesaid Acts/ regulations and circulars / guidelines issued there-under:

Sr. no.	Action taken by	Details of Violation	Detail of action taken	Observations/remarks of the practicing company secretary
	NIL			

- d) Actions taken by the Company to comply with the Observations made in previous reports: **Not applicable** as this being the first year of reporting under the relevant circulars.

For **Vimal Chadha & Associates**  
Company Secretaries

**Dated : 21-05-2019**  
**Place : New Delhi**

**CS Vimal Chadha**  
**Practicing Company Secretary**  
**COP. No.: 18669**  
**Membership No F-5758**



**ANNEXURE-VIII**

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014;**

	<b>Requirement of Rule 5(1)</b>	<b>Details</b>
(i)	the ratio of remuneration of each director to the median remuneration of each employees of the Company for the financial year;	Mr. Sanjeev Agrawal-NA Mr. Pankaj Gupta-NA Mrs. Puja Sharma- NA Mrs. Vickky Kumari- NA
(ii)	The percentage increase in the remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Sanjeev Agrawal-NA Mr. Pankaj Gupta-NA Mrs. Puja Sharma- NA Mr. Umesh Kumar Gupta-NA Ms. Neha Sarpal- NA Mr. Deepak K Jha- NA
(iii)	The percentage increase in the median remuneration of employees in the financial year;	NA
(iv)	No. of permanent employees on the rolls of the Company	2 Mr. Umesh Kumar Gupta Mr. Neha Sarpal (resigned w.e.f., 01.08.2018) Mr. Deepak K Jha (Joined w.e.f., 30.08.2018)
(viii)	Average percentile increase already made in the salaries of employees of the Company other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration	Salary increase of non managerial personnel- NA  Salary increase of managerial personnel- NA  There are no exceptional circumstances in increase in managerial personnel. Management person have availed of leave encashment during the year.
(X)	The Key parameters for any variable component of remuneration availed by the directors	There are no variable component in the Managing Director's Remuneration.
(xii)	Affirmation that remuneration is as per the policy of the Company	Remuneration paid during the year ended 31.03.2019 is as per the remuneration policy of the Company.

For and on behalf of Board  
**Fortune Industrial Resources Limited**

Date: 12-08-2019  
Place: New Delhi

**Nishant Goyal**  
**Whole-time Director**  
**DIN: 08153024**

**Vickky Kumari**  
**Director**  
**DIN: 08248219**

**STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS**

The Independent Directors of the Company have given declaration that they undertake that they shall seek prior approval of the Board if and when they have any such relationship/ transactions, whether material or non-material. If they fail to do so they shall cease to be an Independent Director from the date of entering in to such relationship/ transactions.

Further, they do hereby declare and confirm that the information furnished in the declaration under Section 149 of the Companies Act, 2013 is true and correct to the best of their knowledge and they shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

They further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

For and on behalf of Board  
**Fortune Industrial Resources Limited**

Date: 12-08-2019  
Place: New Delhi

**Nishant Goyal**  
**Whole-time Director**  
**DIN: 08153024**

**Vicky Kumari**  
**Director**  
**DIN: 08248219**

## FORM NO. MGT-9

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> MARCH, 2019**  
**[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:**

S. No.	CIN	L51503DL1986PLC024329
1.	Registration Date	28/05/1986
2.	Name of the Company	Fortune Industrial Resources Limited
3.	Category/ Sub-Category of the Company	Company Limited by Shares
4.	Address of the Registered office and contact details	25, Bazar Lane, Bengali Market, New Delhi-110001 Contact: +011-43585000
5.	Whether listed company	Yes
6.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Mas Services Limited T-34, 2 <sup>nd</sup> Floor, Okhla Industrial Area, Phase-II New Delhi-110020

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Investment in Securities and providing Loans and Advances	65993	100.00%

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

Sl. No.	Name And Address of the Company	CIN/GL N	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
	NOT APPLICABLE				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Dem at	Physical	Total	% of Total Share	
<b>A. Promoters</b>	--	--	--	--	--	--	--	--	--
<b>(1) Indian</b>	--	--	--	--	--	--	--	--	--
a) Individual/ HUF	616300	--	616300	61.63	616300	--	616300	61.63	0.00
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt.(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	0.00
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub-total(A)(1):-</b>	<b>616300</b>	<b>--</b>	<b>616300</b>	<b>61.63</b>	<b>616300</b>	<b>--</b>	<b>616300</b>	<b>61.63</b>	<b>0.00</b>
<b>(2) Foreign</b>	--	--	--	--	--	--	--	--	--
a) NRIs-Individuals	--	--	--	--	--	--	--	--	--

b)Other-Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e)Any Other....	--	--	--	--	--	--	--	--	--
<b>Sub-total (A)(2):-</b>	--	--	--	--	--	--	--	--	--
<b>Total Shareholding of Promoter (A) = (A)(1)+ (A)(2)</b>	<b>616300</b>	--	<b>616300</b>	<b>61.63</b>	<b>616300</b>	--	<b>616300</b>	<b>61.63</b>	<b>0.00</b>
<b>B. Public Shareholding</b>	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Share</b>	<b>Dem at</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Share</b>	
<b>1.Institutions</b>									
a)Mutual Funds	--	--	--	--	--	--	--	--	--
b)Banks / FI	--	--	--	--	--	--	--	--	--
c)Central Govt.	--	--	--	--	--	--	--	--	--
d)State Govt.(s)	--	--	--	--	--	--	--	--	--
e)Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g)FIIs	--	--	--	--	--	--	--	--	--
h)Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1)</b>	--	--	--	--	--	--	--	--	--
<b>2. Non Institutions</b>									
(a) Bodies Corp.									
(i) Indian	--	48000	48000	4.80	--	48000	48000	4.80	--
(ii) Overseas									
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	--	219500	219500	21.95	--	219500	219500	21.95	--
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	--	116200	116200	11.62	--	116200	116200	11.62	--
(c) Others(Specify)	--	--	--	--	--	--	--	--	--
(c-i) Non-Resident Individuals	--	--	--	--	--	--	--	--	--
(c-ii) Directors	--	--	--	--	--	--	--	--	--
(c-iii) Clearing Members	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(2)</b>	--	<b>383700</b>	<b>383700</b>	<b>38.37</b>	--	<b>383700</b>	<b>383700</b>	<b>38.37</b>	--
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	--	<b>383700</b>	<b>383700</b>	<b>38.37</b>	--	<b>383700</b>	<b>383700</b>	<b>38.37</b>	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	<b>616300</b>	<b>383700</b>	<b>1000000</b>	<b>100.00</b>	<b>616300</b>	<b>383700</b>	<b>1000000</b>	<b>100.00</b>	--

• **(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in shareholding during the year
1.	Mr. Sanjeev Agrawal	420500	42.05%	--	420500	42.05%	--	--
2.	Mrs. Deepti Agrawal	95800	9.58%	--	95800	9.58%	--	--
3.	Mrs. Prabha Rani Agrawal	100000	10.00%	--	100000	10.00%	--	--
	<b>TOTAL</b>	<b>616300</b>	<b>61.63%</b>	--	<b>616300</b>	<b>61.63%</b>	--	--

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

Sl. 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
1.	At the beginning of the year				
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):	NOT APPLICABLE			
3.	At the End of the year				

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

Sr. no	For each of the top ten shareholders	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
1.	At the beginning of the year				
	Mr. Mukesh Aggarwal	69200	6.92	69200	6.92
	Sabelle Trade Links Pvt. Ltd	48000	4.80	48000	4.80
	Om Prakash Verma	47000	4.70	47000	4.70
	Ashok Saxena	15000	1.50	15000	1.50
	Jeewan Das	9800	0.98	9800	0.98
	Mohit	8800	0.88	8800	0.88
	Hukumchand	8800	0.88	8800	0.88
	Rakesh	8700	0.87	8700	0.87
	Darshan Kumar	8600	0.86	8600	0.86
	Radhey Shyam	7800	0.78	7800	0.78
	Davinder Kapil	7500	0.75	7500	0.75

2.	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):  Mr. Mukesh Aggarwal Sabelle Trade Links Pvt. Ltd. Om Prakash Verma Ashok Saxena Jeewan Das Mohit Hukumchand Rakesh Darshan Kumar Radhey Shyam Davinder Kapil	NIL	NIL	NIL	NIL
3.	At the End of the year ( or on the date of separation, if separated during the year)  Mr. Mukesh Aggarwal Sabelle Trade Links Pvt. Ltd. Om Prakash Verma Ashok Saxena Jeewan Das Mohit Hukumchand Rakesh Darshan Kumar Radhey Shyam Davinder Kapil	69200 48000 47000 15000 9800 8800 8800 8700 8600 7800 7500	6.92 4.80 4.70 1.50 0.98 0.88 0.88 0.87 0.86 0.78 0.75	69200 48000 47000 15000 9800 8800 8800 8700 8600 7800 7500	6.92 4.80 4.70 1.50 0.98 0.88 0.88 0.87 0.86 0.78 0.75

• v) Shareholding of Directors and Key Managerial Personnel:

Sl. no.	For each of the directors and 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
1.	At the beginning of the year  1. Sanjeev Agrawal 2. Puja Sharma 3. Pankaj Gupta 4. Nishant Goyal 5. Vickky Kumari 6. Deepak K Jha 7. Umesh Gupta	420500 -- -- -- -- -- --	42.05 -- -- -- -- -- --	420500 -- -- -- -- -- --	42.05 -- -- -- -- -- --
2.	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):  1. Sanjeev Agrawal 2. Puja Sharma 3. Pankaj Gupta 4. Nishant Goyal 5. Vickky Kumari 6. Deepak K Jha	-- -- -- -- -- --	-- -- -- -- -- --	-- -- -- -- -- --	-- -- -- -- -- --

	7. Umesh Gupta	--	--	--	--
3.	At the End of the year (or on the date of separation, if separated during the year)				
	1. Sanjeev Agrawal				
	2. Puja Sharma	420500	42.05	420500	42.05
	3. Pankaj Gupta	--	--	--	--
	4. Nishant Goyal	--	--	--	--
	5. Vickky Kumari	--	--	--	--
	6. Deepak K Jha	--	--	--	--
	7. Umesh Gupta	--	--	--	--

#### **V. INDEBTEDNESS**

	Secured excluding deposits	Loans	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i) Principal Amount	--		--	--	--
ii) Interest due but not paid					
iii) Interest accrued but not due					
<b>Total (i+ii+iii)</b>	--		--	--	--
Change in Indebtedness during the financial year	--		--	--	--
- Addition					
- Reduction					
Net Change					
Indebtedness at the end of the financial year	--		--	--	--
i) Principal Amount			--	--	--
ii) Interest due but not paid					
iii) Interest accrued but not due					
<b>Total (i+ii+iii)</b>	--		--	--	--

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

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
•	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	<b>Not Applicable</b>	
•	Stock Option		
•	Sweat Equity		
•	Commission - as % of profit - others, specify...		
•	Others, please specify		
•	Total (A)		

	<i>Ceiling as per the Act</i>	
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### **B. Remuneration to other Directors**

Sl. No	Particulars of Remuneration	Name of Directors			Total (Amt in Rs.)
	<b><u>INDEPENDENT DIRECTORS</u></b>	<b>Ms. Puja Sharma</b>	<b>Ms. Vickky Kumari</b>	<b>Mr. Pankaj Gupta</b>	
	<b><u>Independent Directors</u></b> · Fee for attending board committee meetings · Commission · Others, please specify	25,000/-	10,000/-	35,000/-	70,000/-
	<b>Total (1)</b>	<b>25,000/-</b>	<b>10,000/-</b>	<b>35,000/-</b>	<b>70,000/-</b>
	<b><u>Other Non-Executive Directors</u></b> · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>25,000/-</b>	<b>10,000/-</b>	<b>35,000/-</b>	<b>70,000/-</b>
	Total Managerial Remuneration				

### **C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

Sl. no.	Particulars of Remuneration	Ms. Neha Sarpal (01.04.2018-31.07.2018)	Mr. Umesh Kumar Gupta (Chief Financial Officer) (01.4.2018-31.03.2019)	Mr. Deepak Kumar Jha Company Secretary (w.e.f., 30.08.2018)	Total (Amount in Rs.)
•	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-taxAct, 1961 (c) Profits in lieu of salary under section17(3) Income-tax Act, 1961	1,74,800/-	2,17,800/-	5,07,500/-	9,00,100/-
•	Stock Option	-	-	-	-
•	Sweat Equity	-	-	-	-
•	Commission	-	-	-	-
•	Others, please specify	-	-	-	-
•	<b>Total</b>	<b>1,74,800/-</b>	<b>2,17,800/-</b>	<b>5,07,500/-</b>	<b>9,00,100/-</b>



**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)
A. Company					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. Directors					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. Other Officers In Default					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

For and on behalf of Board  
**Fortune Industrial Resources Limited**

Date: 12-08-2019  
Place: New Delhi

**Nishant Goyal**  
**Whole-time Director**  
**DIN: 08153024**

**Vicky Kumari**  
**Director**  
**DIN: 08248219**

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF M/s FORTUNE INDUSTRIAL RESOURCES LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of M/S FORTUNE INDUSTRIAL RESOURCES LIMITED ("the company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March 2019 and its profit/loss for the year ended on that date.

#### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A** statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by the Non - Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 1998 (herein after called as 'directions'), as amended up-to date, issued by the Reserve Bank of India in terms of sub-section (1A) of section 45MA of the Reserve Bank of India Act, 1934 and on the basis of such checks

of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the **Annexure B** a statement on the matters specified in paragraphs 3 of the said directions.

3. 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, 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) In our opinion and to the best of our information and according to the explanations given to us, we report as such no other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - g) With respect of adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure C** and
  - h) 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 do not have any pending litigations in Income Tax.
    - ii. The Company did not have any Long-term contracts including derivatives contracts for which there were any material foreseeable losses
    - iii. There is no amount required to be transferred, to the Investor Education and Protection Fund by the company.

As per our report of even date attached  
**For Bhala & Bhala Chartered  
Accountants  
Firm Registration Number: 021008N**

**Mayank Somani  
(Partner)  
Membership Number: 528084**  
Place: New Delhi  
Date: 29.05.2019

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

In respect of the Annexure referred to in the paragraph 1 of our report to the Members of **Fortune Industrial Resources Limited** ("the company) for the year ended March 31, 2019, we report that:

- (i) The Company does not hold any Fixed Assets. Thus, paragraph 3(i) of the Order is not applicable.
- (ii) The Company does not hold/carry any inventory. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) During the current year, the company has not granted any loans, secured or unsecured to parties covered in the register required to be maintained under Section 189 of the Act.
- (iv) In our opinion and according to the Information and explanation given to us, the company does not have any transaction to which the provisions of Section 185 & 186 of the Act apply.
- (v) The Company has not accepted any deposits from the public.
- (vi) The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products or services rendered by the company.
- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income- tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, sales tax, income tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- (viii) The company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not paid/provided for managerial remuneration during the year. Hence provisions of Section 197 of the Act are not applicable.
- (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, there are transactions with related parties during the year and these transactions are occurred at Arm's Length Price with related parties.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934.

As per our report of even date attached

**For Bhala & Bhala Chartered  
Accountants  
Firm Registration Number: 021008N**

**Mayank Somani (Partner)  
Membership Number: 528084**

Place: New Delhi  
Date: 29.05.2019

## **Annexure B**

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

Pursuant to paragraph 2 of the directions, we state as under:

1. As per the information and explanation given to us and relied upon by us, the company has been of registered as a Non – Banking Financial Company under the provisions of the Reserve Bank of India Act, 1934 and has obtained a certificate of registration No. B14 – 01702 dated April 28, 2000 from the Reserve Bank of India in terms of Section 45IA.
2. As per the information and explanation given to us and relied upon by us, the board of directors of the company has passed a resolution for non-acceptance of public deposits.
3. As per the information and explanation given to us and relied upon by us, the company has not accepted any deposits from the public during the FY 2018-19.
4. As per the information and explanation given to us and relied upon by us, the company has complied with the provisions of prudential norms relating to the income recognition, assets classification, accounting standards and provisioning for bad and doubtful debts, to the extent applicable, during the FY ended March 31, 2019.

The other matters stated in paragraph 3 of the directions are not applicable in the case of the company.

**For Bhala & Bhala Chartered  
Accountants  
Firm Registration Number: 021008N**

**Mayank Somani  
(Partner)  
Membership Number: 528084**

Place: New Delhi  
Date: 29.05.2019

## ANNEXURE C TO THE AUDITOR'S 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 **M/s FORTUNE INDUSTRIAL RESOURCES LIMITED (the company) as of 31<sup>st</sup> March 2019** 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 the 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conduct our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and 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 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 were 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 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 assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the 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 Profit and Loss of the company are being made only in accordance with authorizations of the 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 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<sup>st</sup> March 2019, based on internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by Institute of Chartered Accountants of India.

As per our report of even date attached

**For Bhala & Bhala Chartered  
Accountants  
Firm Registration Number: 021008N**

**Mayank Somani  
(Partner)  
Membership Number: 528084**

Place: New Delhi  
Date: 29.05.2019

**FORTUNE INDUSTRIAL RESOURCES LIMITED**

**Balance Sheet as at March 31, 2019**

**[ CIN : L51503DL1986PLC024329 ]**

	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I.</b>	<b><u>Equity and Liabilities:</u></b>			
<b>1)</b>	<b>Shareholder's Funds</b>			
	- Share Capital	2.1	11,000,000	11,000,000
	- Reserves And Surplus	2.2	102,066,891	101,735,480
<b>2)</b>	<b>Non-Current Liabilities</b>			
	- Long Term Borrowings	2.3	-	-
<b>3)</b>	<b>Current Liabilities</b>			
	- Trade Payables	2.4	11,361	34,020
	- Other Current Liabilities	2.5	2,059,703	1,063,744
	- Short-term Provisions	2.6	229,567	114,633
	<b>Total</b>		<b>115,367,522</b>	<b>113,947,877</b>
<b>II.</b>	<b><u>Assets:</u></b>			
<b>1)</b>	<b>Non-Current Assets</b>			
	- Loans and Advances	2.7	21,500,000	21,920,500
	- Investments	2.8	60,231,410	65,114,858
<b>2)</b>	<b>Current Assets</b>			
	- Current Investments	2.9	7,500,000	7,500,000
	- Trade Receivable	2.10	-	-
	- Cash and Cash Equivalents	2.11	20,699,776	14,223,732
	- Other Current Assets	2.12	5,436,336	5,188,787
	<b>Total</b>		<b>115,367,522</b>	<b>113,947,877</b>
	<b>Significant Accounting Policies</b>	1		
	<b>Notes on Accounts</b>	2&3		
	For and on Behalf of the Board			
	<b>For Fortune Industrial Resources Limited</b>			
	<b>Nishant Goyal</b>	<b>Vicky Kumari</b>	<b>Umesh Kumar Gupta</b>	<b>Deepak Jha</b>
	<b>(Whole Time Director)</b>	<b>(Director)</b>	<b>(Chief Financial Officer)</b>	<b>(Company Secretary)</b>
	<b>DIN : 08153024</b>	<b>DIN:08248219</b>		
	As per our audit report of even date attached			
	<b>For Bhala &amp; Bhala,</b>			
	<b>Chartered Accountants</b>			
	<b>Firm Registration Number : 021008N</b>		<b>Mayank Somani</b>	
			<b>(Partner)</b>	
	<b>Date: 29-05-2019</b>		<b>Membership Number : 528084</b>	
	<b>Place: New Delhi</b>			



<b>FORTUNE INDUSTRIAL RESOURCES LIMITED</b>			
<b>Profit and Loss Statement for the year ending March 31, 2019</b>			
<b>[ CIN : L51503DL1986PLC024329 ]</b>			
<b>Particulars</b>	<b>Note No.</b>	<b>Figures as at the end of current reporting period</b>	<b>Figures as at the end of previous reporting period</b>
<b>Revenue :</b>			
Revenue from operations	2.13	2,695,494	1,875,000
Other Income	2.14	180,000	180,000
<b>Total</b>		<b>2,875,494</b>	<b>2,055,000</b>
<b>Expenses:</b>			
Employee benefits expenses	2.15	900,100	368,797
Other Expenses	2.16	1,327,049	1,039,429
<b>Total</b>		<b>2,227,149</b>	<b>1,408,226</b>
<b>Profit Before Extraordinary Items And Tax</b>		<b>648,345</b>	<b>646,774</b>
Less: Extraordinary Items	2.17	202,000	202,000
<b>Profit Before Tax</b>		<b>446,345</b>	<b>444,774</b>
<b>Tax Expense</b>			
- Current Tax		114,934	114,633
- Deferred Tax		-	-
<b>Profit/(Loss) for the period</b>		<b>331,411</b>	<b>330,140</b>
<b>Earning per Equity Share</b>			
1) Basic		<b>0.33</b>	<b>0.33</b>
2) Diluted		<b>0.33</b>	<b>0.33</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes on Accounts</b>	2&3		
<b>For and on Behalf of the Board</b>			
<b>For Fortune Industrial Resources Limited</b>			
<b>Nishant Goyal</b>	<b>Vicky Kumari</b>	<b>Umesh Kumar Gupta</b>	<b>Deepak Jha</b>
<b>(Whole Time Director)</b>	<b>(Director)</b>	<b>(Chief Financial Officer)</b>	<b>(Company Secretary)</b>
<b>DIN : 08153024</b>	<b>DIN:08248219</b>		
As per our audit report of even date attached			
<b>For Bhala &amp; Bhala,</b>			
<b>Chartered Accountants</b>			
<b>Firm Registration Number : 021008N</b>		<b>Mayank Somani</b>	
		<b>(Partner)</b>	
<b>Date: 29-05-2019</b>		<b>Membership Number : 528084</b>	
<b>Place: New Delhi</b>			

**FORTUNE INDUSTRIAL RESOURCES LIMITED**

**Cash Flow Statement for the period ending March 31, 2019**

[ CIN : L51503DL1986PLC024329 ]

Particulars	Rs.	Figures for current reporting period	Figures for previous reporting period
<b>Cash flow from Operating Activities:</b>			
Net Profit/ (Loss) before Tax		648,345	646,774
Adjustments for:			
- Depreciation			-
- Extraordinary Items		(202,000)	(202,000)
- Non Operating Income			
<b>Operating Profit Before Working Capital Changes</b>		<b>446,345</b>	<b>444,774</b>
- (Increase) / Decrease in Other Current Assets		(247,549)	-
- Increase / (Decrease) in Trade Payables		(22,659)	-
- Increase / (Decrease) in Other Current Liabilities		995,959	(4,860,979)
<b>Cash Generated from Operations</b>		<b>1,172,096</b>	<b>(4,416,205)</b>
Less- Direct Taxes Paid			
<b>Net Cash Flow from Operating Activities</b>		<b>1,172,096</b>	<b>(4,416,205)</b>
<b>Cash Flow from Investing Activities</b>			
Other Non Operating income			
Long Term Loans & Advances		420,500	(21,920,500)
Purchase of Investments			(6,259,360)
Sale of Investment		4,883,448	46,400,000
<b>Net Cash Flow from Investing Activities</b>		<b>5,303,948</b>	<b>18,220,140</b>
<b>Cash Flow from Financing Activities</b>			
<b>Net Cash Flow from Financing Activities</b>		-	-
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>		<b>6,476,044</b>	<b>13,803,935</b>
Add: Opening Balance of Cash & Cash Equivalents		14,223,732	419,797.00
<b>Total:</b>		20,699,776	14,223,732
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		20,699,776	14,223,732
		-	-

**Note:**

i) The above Cash Flow Statement is prepared under the indirect method as set out in the Accounting Standard - 3, on Cash Flow Statement issued by the ICAI.

**For and on Behalf of the Board**  
**For Fortune Industrial Resources Limited**

**Nishant Goyal**  
**(Whole Time Director)**  
**DIN : 08153024**

**Vicky Kumari**  
**(Director)**  
**DIN:08248219**

**Umesh Kumar Gupta**  
**(Chief Financial Officer)**

**Deepak Jha**  
**(Company Secretary)**

As per our audit report of even date attached

**For Bhala & Bhala,**  
**Chartered Accountants**  
**Firm Registration Number : 021008N**

**Date: 29-05-2019**

**Place: New Delhi**

**Mayank Somani**  
**(Partner)**

**Membership Number : 528084**

**FORTUNE INDUSTRIAL RESOURCES LIMITED**

**NOTES ON ACCOUNTS**

**[ CIN : L51503DL1986PLC024329 ]**

NOTE NO.	PARTICULARS	31.03.2019	31.03.2018
<b>2.1</b>	<b><u>Share Capital :</u></b>		
	<b><u>Authorized Share Capital :</u></b>		
	29,00,000 Equity Share of Rs. 10 each	29,00,000	29,00,000
	1,00,000 Preference Share of Rs. 10 each	<u>1,00,000</u>	<u>1,00,000</u>
	<b>Total</b>	<b><u>30,00,000</u></b>	<b><u>30,00,000</u></b>
	<b><u>Issued, Subscribed and Paid-up Share Capital :</u></b>		
	10,00,000 Equity Share of Rs. 10 each fully paid up	10,00,000	10,00,000
	1,00,000 Preference Share of Rs. 10 each	<u>1,00,000</u>	<u>1,00,000</u>
	<b>Total</b>	<b><u>11,00,000</u></b>	<b><u>11,00,000</u></b>
	<b>Par Value of each share</b>	10/-	10/-

**The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2019 and March 31, 2018 is set out below:**

No. of Shares Outstanding in the beginning	1,100,000	1,100,000
Add: Shares issued during the year	<u>-</u>	<u>-</u>
No. of Shares Outstanding at the end	<b><u>1,100,000</u></b>	<b><u>1,100,000</u></b>

**The details of equity shareholders holding more than 5% shares is as follows: -**

Name of the Shareholder	As at 31 March 2019		As at 31 March 2018		As at 31 March 2017
	No. of shares	% held	No. of shares	% held	No. of shares
Mr. Sanjeev Agarwal	420,500	42.05%	420,500	42.05%	420,500
Mrs. Prabha Agarwal	100,000	10.00%	100,000	10.00%	100,000
Mrs. Deepit Agarwal	95,800	9.58%	95,800	9.58%	95,800
Mr. Mukesh Agarwal	69,200	6.92%	69,200	6.92%	69,200

**2.2 Reserves and Surplus :**

<b>Share Premium A/c</b>	<b>(A)</b>	89,00,000	89,00,000
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<b>Special Reserve Fund-Opening Balance</b>	3,717,704	3,651,676
Add : During the year	<u>66,282</u>	<u>66,028</u>
<b>(B)</b>	<b>3,783,986</b>	<b>3,717,704</b>
<b>Contingent Liability Risk Reserve Fund* ( C )</b> <i>(* creates in terms of RBI guideline for NBFC's)</i>	53,750	54,801
<b>Profit &amp; Loss A/c- Opening Balance</b>	8,962,974	8,753,663
Profit/ (Loss) during the year	331,411	330,140
Less : Transfer to Special Reserve Fund	66,282	66,028
Less : Transfer to Standard Assets Reserve	<u>(1,051)</u>	<u>54,801</u>
<b>Closing Balance (D)</b>	<b><u>9,229,154</u></b>	<b><u>8,962,974</u></b>
<b>Total (A+B+C+D)</b>	<b><u>102,066,891</u></b>	<b><u>101,735,480</u></b>
<b>2.3 <u>Long Term Borrowings :</u></b>		
Secured Loans	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>2.4 <u>Trade Payables</u></b>		
More than 6 months	-	-
Others	<u>11,361</u>	<u>34,020</u>
	<b><u>11,361</u></b>	<b><u>34,020</u></b>
<b>2.5 <u>Other Current Liabilities :</u></b>		
Expenses Payable	941,866	1,017,687
Cheque Issued	-	-
Rent Security	-	-
TDS Payable	17,837	46,057
Advance Received Against Property	<u>1,100,000</u>	<u>-</u>
	<b><u>2,059,703</u></b>	<b><u>1,063,744</u></b>
<b>2.6 <u>Short-Term Provisions :</u></b>		
Provisions for Income Tax	<u>229,567</u>	<u>114,633</u>
	<b><u>229,567</u></b>	<b><u>114,633</u></b>
<b>2.7 <u>Loans &amp; Advances :</u></b>		
Aarey Organic Industries Pvt. Ltd.	18,000,000	21,920,500

	Aditri Chemicals & Minerals Pvt. Ltd.	3,500,000	
		<b><u>21,500,000</u></b>	<b><u>21,920,500</u></b>
<b>2.8</b>	<b><u>Investments :</u></b>		
	Investments in Properties	648,101	648,101
	Investment in Shares (Unquoted at Cost)	59,583,309	64,466,757
		<b><u>60,231,410</u></b>	<b><u>65,114,858</u></b>
<b>2.9</b>	<b><u>Current Investments :</u></b>		
	Investment in Mutual Fund	7,500,000	7,500,000
		<b><u>7,500,000</u></b>	<b><u>7,500,000</u></b>
<b>2.10</b>	<b><u>Trade Receivables :</u></b>		
	More than 6 Months	-	-
	Others	-	-
		<b><u>-</u></b>	<b><u>-</u></b>
<b>2.1</b>	<b><u>Cash &amp; Cash Equivalents:</u></b>		
	Cash/Imprest in Hand	66,120	92,460
	Balance with Bank in Current Account	20,633,656	7,959,840
	Balance with Bank in Current Account- Escrow A/c		6,171,432
		<b><u>20,699,776</u></b>	<b><u>14,223,732</u></b>
<b>2.1</b>	<b><u>Other Current Assets</u></b>		
	Income Tax Paid against Appeal Ay 2011-12	4,157,686	4,157,686
	Other Advance	-	-
	Rent Recievable	204,000	24,000
	Preliminary Expenditure	606,000	808,000
	TDS Recoverable Ay 17-18	468,650	199,101
		<b><u>5,436,336</u></b>	<b><u>5,188,787</u></b>
<b>2.13</b>	<b><u>Revenue from Operations:</u></b>		
	Interest on Loan	2,695,494	1,875,000
	Interest on FDR	-	-
		<b><u>2,695,494</u></b>	<b><u>1,875,000</u></b>
<b>2.1</b>	<b><u>Other Income :</u></b>		
	Rent Received	180,000	

		180,000
	Interest on Income Tax Refund	-
		<u>-</u>
		<u><b>180,000</b></u>
<b>2.2</b>	<b><u>Employee Benefit Expenses :</u></b>	
	Salary	368,797
	Staff Welfare	-
		<u>-</u>
		<u><b>368,797</b></u>
<b>2.16</b>	<b><u>Other Expenses :</u></b>	
	Audit Fees -- Statutory Audit	29,500
	Cost of Advertising	55,164
	Bank Charges	1,205
	Conveyance Expenses	117,764
	Demat Charges	-
	Fee & Taxes	91,753
	Legal & Professional Charges	530,308
	Office Rent & Maintenance	120,000
	Postage & Telegram	-
	Printing & Stationary	7,015
	Miscellaneous	-
	ROC Filling Fees	11,700
	Internet & Domain Expenses	3,599
	Interest & Penalty	405
	Bad Debts Write off	11,016
	Director Sitting Fees	60,000
		<u>70,000</u>
		<u><b>1,327,049</b></u>
<b>2.17</b>	<b><u>Extraordinary Items :</u></b>	
	Extraordinary Item	202,000
		<u>202,000</u>
		<u><b>202,000</b></u>

**FORTUNE INDUSTRIAL RESOURCES LIMITED**

**GROUPING AS ON 31-03-2019**

[ CIN : L51503DL1986PLC024329 ]

SR. NO.	PARTICULARS	Note No.	31.03.2019	(Amount in Rs.) 31.03.2018
<b>1</b>	<b><u>Sundry Creditors</u></b>	2.4		
	Mas Services Ltd		11,361	34,020
	<b>Total</b>		<b>11,361</b>	<b>34,020</b>
<b>2</b>	<b><u>Other Current Liabilities</u></b>	2.5		
	<b>Expenses Payable</b>			
	Audit Fee Payable		478,316	478,316
	Salary Payable		55,550	76,034
	Rent Payable		-	18,000
	Advertisement Expenses		-	18,167
	Conveyance Expenses		-	27,312
	Director Sitting Fees		-	18,000
	NSDL		-	780
	Legal & Professional Expense		360,000	381,078
	Office Expenses Payable		48,000	
	<b>Total</b>		<b>941,866</b>	<b>1,017,687</b>
	<b><u>Cheque Issued</u></b>			
	Moon Beverages Limited			-
	HAL Offshore Limited			
	Salary/Expense Payable cheques		-	-
	<b>Total</b>		<b>-</b>	<b>-</b>
	<b><u>Rent Security</u></b>			
	Mould Craft India Pvt Ltd		-	-
	<b>Total</b>		<b>-</b>	<b>-</b>
<b>3</b>	<b><u>Balance with Bank</u></b>	2.11		
	PNB C/A 30953		20,619,410	7,945,595
	OBC C/a 1188		14,245	14,245
	Kotak-Escrow Account		-	5,005,632



Kotak-Special Account		-	1,165,800
<b>Total</b>		<b>20,633,656</b>	<b>14,131,272</b>
<b>4 Other Current Assets</b>	2.12		
<b>Other Advances</b>			
APAC Consultants (P) Ltd		-	-
Central Depository Services (India) Ltd.		-	-
National Securities Depository Ltd		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
<b><u>TDS Recoverable</u></b>			
TDS Recov.A.Y.2017-18		11,601	11,601
TDS Recov.A.Y.2018-19		187,500	187,500
TDS Recov.A.Y.2019-20		269,549	-
<b>Total</b>		<b>468,650</b>	<b>199,101</b>
<b>5 Extraordinary Items</b>	2.17		
Previous Year Expenses			-
Income Tax A.Y.			-
Preliminary Expenses Write off		202,000	202,000
<b>Total</b>		<b>202,000</b>	<b>202,000</b>

<b>FORTUNE INDUSTRIAL RESOURCES LIMITED</b>						
<b>( SCHEDULE OF INVESTMENTS IN SHARES )</b>						
<b>FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2019</b>						
[ CIN : L51503DL1986PLC024329 ]						
S.NO.	NAME OF COMPANY	CURRENT YEAR ENDING		CURRENT YEAR ENDING		
		31ST MARCH,2019		31ST MARCH,2018		
		NO.OF SHARES	VALUE	NO.OF SHARES	VALUE	
<b>A.</b>	<b><u>Investment in Shares (Unquoted at Cost)</u></b>					
1	M/s Moon Beverages Limited	292,400	2,924,000	292,400	2,924,000	
2	M/s Saptrishi Finance Limited	809,120	8,359,309	643,900	6,442,757	
3	M/s PNR Systems (P) Ltd	195,000	42,900,000	195,000	42,900,000	
4	M/s Gemini Builtech			6,800	6,800,000	
5	M/s HAL Offshore Limited	45,000	5,400,000	45,000	5,400,000	
6	M/s Mandrin Buildwell (P) Ltd	-	-	-	-	
	<b>Total (A)</b>		<b>59,583,309</b>		<b>64,466,757</b>	
<b>B.</b>	<b>Investment in Mutual Fund</b>					
	Reliance Mutual Fund		7,500,000		7,500,000	
	<b>Total (B)</b>		<b>7,500,000</b>		<b>7,500,000</b>	
	<b>Total</b>		<b>67,083,309</b>		<b>71,966,757</b>	

**FORTUNE INDUSTRIAL RESOURCES LIMITED IS NON DEPOSIT ACCEPTING NON-BANKING FINANCE COMPANY("NBFC"), HOLDING A CERTIFICATE OF REGISTRATION B.14.01702 FROM THE RESERVE BANK OF INDIA ("RBI") DATED 28TH APRIL, 2000**

**Note – 1 Significant Accounting Policies**

**1.1 Basis of Accounting**

The Company prepares its accounts under Historical Cost Convention as a going concern and recognizes income and expenditure on an accrual basis. The accounts have been prepared to comply in all material aspects with the applicable accounting principles in India, the applicable mandatory accounting standards issued by the ICAI and the relevant provisions of the Companies Act, 2013.

**1.2 Revenue Recognition**

The company recognizes its revenue based on the principles laid down by the Accounting Standard – 9, on Revenue Recognition, issued by the ICAI. Pursuant to the same, the revenue has been recognized when the amount can be reliably ascertained and it is certain that its economic benefit will flow to the company.

**1.3 Investments**

Investment had been classified into 'long term' and 'current' categories as per RBI Norms. Investments are valued at cost.

**1.4 Taxes on Income**

Current Income Tax Expense is measured and recognized at the amount expected to be paid in respect of taxable income to the tax authorities in accordance with the Income Tax Act, 1961 and the same is revised with the assessment order passed by the authority.

**1.5 Earnings per Share**

Detail of computation of Earnings Per Share as per the provisions of Accounting Standard – 20, Earning Per Share, is as follows:

Particulars	Amount (Rs.)	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Net Profit/ (Loss) attributable to Equity Shareholders'	3,31,411	3,30,140
Weighted Average No. of Equity Shares outstanding	10,00,000	10,00,000
Basic & Diluted Earning Per Share (Face Value Rs. 10 each)	0.33	0.33
Annualized Basic & Diluted Earning Per Share (Face Value Rs.10 each)	0.33	0.33

**1.6 Provisions, Contingent Liabilities & Contingent Assets:**

Provision for liabilities is taken as a result of past events for which cash outflow is expected and can be readily or reasonably estimated. Contingent Liabilities not provided for are determined on the basis of available information and are disclosed by way of Notes to Financial Statements.

**Note - 3 Other notes to Financial Statements for the Financial Year ending 31<sup>st</sup> March, 2019**

3.1 As per the provisions contained in section 45IC of the Reserve Bank of India Act, 1931 every Non-Banking Finance Company (NBFC) is required to transfer 20% of its net profits after tax to a Special Reserve Fund every year. In compliance to section 45IC, during the period the Company had provisionally transferred Rs. 66,282 to the Special Reserve Fund.

3.2 Related Party Disclosures as per Accounting Standard-18, issued by the ICAI:(as per management representation)

(A) Names of Related Parties and Nature of Related Party Relationship:

**Key Management Personnel**

Mr. Sanjeev Agrawal	Non Executive Director
Ms. Neha Sarpal	Company Secretary (13.02.2018 to

	31.07.2018)
Mr. Umesh Gupta	Chief Financial Officer
Mr. Deepak K Jha	Company Secretary (joined on 30.08.2018)
Mr. Nishant Goyal	Whole time Director

**Private Company in which Director of Company is Director**

PNR Systems Private Limited – Investment in Shares

(B) Transactions with the related parties in the ordinary course of business:

Nature of Transaction	Nature of Relation	Amount of Transaction	Amount Outstanding
Sale of Investment to Sh. Sanjeev Agrawal	Director	2,00,00,000	2,00,00,000

3.3 Previous year's figures have been regrouped /re classified, wherever necessary, to correspond with current year's classification / disclosure.

3.4 In the opinion of Management, Current Assets and Loans and Advances are realizable at the values represented in the financial statements in the normal course of business.

3.5 Company has deposited income tax in protest for Rs. 4,157,686 For AY 2011-12. The learned CIT appeal has already decided in favour of assessee and the department has filed an appeal with ITAT against the order of learned CIT. The ITAT appeal at present is under hearing.

3.6 Earnings in Foreign Exchange are NIL.

3.7 Remuneration to Auditors:

Particulars	(Amount in Rs.)	
	2018-19	2017-18
Audit Fee	29,500	29,500

3.8 Preliminary expenses of Rs. 2,02,000 have been written off under extraordinary items.

For and on Behalf of the Board

**For Fortune Industrial Resources Limited**

**Nishant Goyal**  
(Whole Time Director)  
DIN : 08153024DIN:08248219

**Vicky Kumari**  
(Director)

**Umesh Kumar Gupta**  
(Chief Financial Officer)

**Deepak Jha**  
(Company Secretary)

As per our audit report of even date attached

**For Bhala & Bhala,**

**Chartered Accountants**

**Firm Registration Number : 021008N**

**Mayank Somani**

**(Partner)**

**Date: 29-05-2019**

**Membership Number : 528084**

**Place: New Delhi**