

# FORTUNE INDUSTRIAL RESOURCES LIMITED

Regd. Office:- 25, Bazar Lane, Bengali Market, New Delhi-110001  
Tel. No.: 011-43585000, Fax: 011-43585015, E-mail: [firl.nbfc@gmail.com](mailto:firl.nbfc@gmail.com), Website: [www.firl.co.in](http://www.firl.co.in)  
CIN: L51503DL1986PLC024329

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Date: 06<sup>th</sup> June, 2022

To  
Metropolitan Stock Exchange of India Limited  
Listing Department  
205(A), 2<sup>nd</sup> Floor,  
Piramal Agastya Corporate Park,  
Kamani Junction, LBS Road,  
Kurla (West), Mumbai - 400070

Scrip Code: FIRL

Dear Sir,

**Sub: Compliance under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Annual Report for the Financial Year 2021-22**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report of the Company for the Financial Year 2021-22, along with the Notice of Annual General Meeting (AGM) scheduled to be held on Tuesday, June 28, 2022 at 02:00 PM through Video Conferencing/Other Audio Visual Means (VC/OAVM).

The Annual Report is also available on our website at the link:  
[www.firl.co.in](http://www.firl.co.in),

The aforesaid documents are being dispatched today electronically to those Members whose email IDs are registered with the Company/Depositories.

Kindly acknowledge the receipt.

Thanking You,

Yours Faithfully,

For Fortune Industrial Resources Limited

For Fortune Industrial Resources Limited

  
Shanti

Company Secretary  
Company Secretary cum Complianace Officer

Encl.: As above

# **Fortune Industrial Resources Limited**

*Annual Report- 2022*

## **NOTICE OF 36<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that 36<sup>th</sup> Annual General Meeting (AGM) of Fortune Industrial Resources Limited will be held on Tuesday, 28<sup>th</sup> June, 2022 at 2.00 PM at 25, Bazaar Lane, Bengali Market, New Delhi-110001 through video conferencing (“VC”)/ Other Audio Visual Means (OAVM) to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Results for the financial year ended on 31<sup>st</sup> March, 2022 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. Regularisation of Mr. Akhil Bansal (DIN: 07398573) as Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as special resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 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 17 of SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015, Mr. Akhil Bansal (DIN: 07398573) who was appointed as an Additional Independent Director on 31<sup>st</sup> March, 2022 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 he 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 his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for five (5) consecutive years for maximum period upto 30<sup>th</sup> March, 2027.”

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

Date: 28-05-2022  
Place: New Delhi

**SD/-  
Bharti  
Company Secretary & Compliance Officer**

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

1. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020 and 02/2021, 19/2021, 21/2021 and 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 5 2022 respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/CIR/ P/2020/79, SEBI/HO/CFD/CMD2/ CIR/P/2021/11 and SEBI/HO/DDHS/P/CIR/2022/0063 dated May 12, 2020, January 15, 2021 and May 13, 2022 respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.firl.co.in](http://www.firl.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. Metropolitan Stock Exchange at [www.msei.in](http://www.msei.in) and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. EGM/AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021, MCA Circular No. 5/2022 dated May 05, 2022.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the 22<sup>th</sup> June, 2022 to Tuesday, the 28<sup>th</sup> June, 2022 (both days inclusive).

9. Members are requested to send their queries to the Company, if any, on accounts and operations of the Company at least ten days before the meeting so that the same could be suitably answered at the meeting.
10. Members whose shareholding(s) are in electronic mode are requested to inform any changes relating to address, bank mandate and Electronic Clearing Services (ECS) details to their respective Depository Participants and in case of physical shares, to the Company's Registrar & Share Transfer Agent M/s. Mas Services Limited by mail at info@masserv.com together with a valid proof of address.
11. In line with measures of Green Initiative taken by the Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively) and Companies Act, 2013 also provides for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail ID's with M/s. Mas Services Limited by mail at info@masserv.com and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs).
12. 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 the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
13. The information or details required as per Regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and secretarial standard on general meetings issued by the institute of Companies Secretaries of India, in respect of Director seeking appointment/ re-appointment at the ensuing Annual General Meeting is as under:

| <b>Name of Director</b>   | <b>Mr. Sanjeev Agrawal</b>   | <b>Mr. Akhil Bansal</b>   |
|---|--|---|
| DIN   | 00282059   | 07398573  |
| Date of Birth   | 05.12.1963   | 26.11.1990  |
| Date of Appointment   | 15.02.2010   |   |
| Qualification   | MBA from Coca Cola University, Atlanta, USA<br>M.com from Kanpur University  | Company Secretary   |
| Expertise in Specific Functional Area and Experience  | He was instrumental in establishing the state-of-the-art plant of carbonated soft drink under franchisee agreements with M/s Coca-cola Inc, USA at Sahibabad, Greater Noida, Kanpur, Rurkela. He has been the brain behind establishing the group diversification and growth over the year. He has been instrumental in the group diversification by creating business interest for the business interest for the group in area like, Hospitality, Education, Oil & Gas (Service provider to ONGC), Food and Beverages.<br>He has taken active part in various political, social & cultural activities in the country and in Delhi local area. | He is Company Secretary and having 10+ year rich experience in the relevant functional area.  |
| Terms and Conditions of re-appointment along with details of remuneration sought to be paid | The Terms-Conditions for Appointment will remain the same. (No Remuneration)   | Mr. Akhil Bansal appointment was done for 5 years from 31.03.2022 till 30.03.2027 with such terms as specified in appointment letter. |

|  |  |   |
|--|--|---|
| Remuneration last drawn (including sitting fees, if any)                               | No Salary or Sitting fees to be paid to Mr. Sanjeev Agrawal.   | Sitting fees for attending Board Meetings or committee thereof will be paid.  |
| Directorship in other Companies (excluding Foreign, private and Section 8 companies)   | Seamec Limited   | Oswal Greentech Limited   |
| Membership of Committees in other Public Limited Companies                             | Mr. Sanjeev Agrawal is the Member of following Committees of M/s Seamec Limited<br>1. Nomination and remuneration Committee<br>2. Corporate Social Responsibility Committee<br>3. Risk Management Committee<br>4. Stakeholder Relationship Committee | Mr. Akhil Bansal is member of the following Committees of M/s Oswal Greentech Limited.<br>1. Audit Committee<br>2. Nomination and Remuneration Committee<br>3. Stakeholders Relationship Committee (Chairman)<br>4. Corporate Social Responsibility Committee |
| No. of Shares held in the Company as on 31.03.2021 (Face Value ₹ 10/- per share)       | 42.05 %  | NIL   |
| Number of meetings of the Board attended during the Financial Year 2021-22             | 6 (Six) Board Meeting  | 1 (One) Board Meeting.  |
| Relationship with other Directors, Manager and Key Managerial Personnel of the Company | NA   | NA  |

For other details such as remuneration drawn and relationship with other directors and Key Managerial Personnel, please refer to the corporate governance report which forms part of this annual report.

14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility:

The e-voting facility is available at the link:  
<https://www.evoting.nsdl.com/>

15. E-voting commences on June 25, 2022 at 9:00 A.M. and will end at June 27, 2022 at 5:00 P.M. and at the end of e-voting period, the facility shall forthwith be blocked.
16. The Detailed instructions on remote e-voting is made part of a separate sheet “Instructions for e-voting” attached to this Notice.

**17. The instructions for shareholders voting electronically are as under:**

**The remote e-voting period begins on 25<sup>th</sup> June, 2022 at 09:00 A.M. and ends on 27<sup>th</sup> June, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 21<sup>st</sup> June, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21st June, 2022.**



### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

#### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| <b>Type of shareholders</b>   | <b>Login Method</b>   |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"><li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ol> |
| Individual Shareholders holding securities in demat mode with CDSL  | <ol style="list-style-type: none"><li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li><li>2. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting</b></li></ol>  |

|  |  |
|--|--|
|  | <p><b>service provider i.e. NSDL.</b> Click on <b>NSDL</b> to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at<br/> <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.   |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| <b>Login type</b>  | <b>Helpdesk details</b>   |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30              |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43 |

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :



| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:  |
|--|---|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****.  |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.vimalchadha@outlook.com](mailto:cs.vimalchadha@outlook.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to [Mr. Sarawan Mangla at evoting@nsdl.co.in](mailto:Mr. Sarawan Mangla at evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please send signed request with Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@masserv.com](mailto:info@masserv.com).
2. In case shares are held in demat mode, please update your email id with your depository. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [firl.nbfc@gmail.com](mailto:firl.nbfc@gmail.com). The same will be replied by the company suitably.

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

Date: 28-05-2022  
Place: New Delhi

**SD/-  
Bharti  
Company Secretary & Compliance Officer**

## **EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

### **Resolution 3:**

Mr. Akhil Bansal was appointed as an Additional Independent Director with effect from 31<sup>st</sup> March, 2022; in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuing Annual General Meeting of the Company. The Board is of the view that the appointment of Mr. Akhil Bansal on the Company Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No. 3 for approval by the members of the Company. None of the Directors/ Key Managerial Personnel of the Company/ their relatives except Mr. Akhil Bansal himself, in any way concerned or interested, in the said resolution. The board recommends the said resolution to be passed as Special resolution.

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

Date: 28-05-2022  
Place: New Delhi

**SD/-  
Bharti  
Company Secretary & Compliance Officer**

# FORTUNE INDUSTRIAL RESOURCES LIMITED

Regd. Office:- 25, Bazar Lane, Bengali Market, New Delhi-110001  
Tel. No.: 011-43585000, Fax: 011-43585015, E-mail: [firl.nbfc@gmail.com](mailto:firl.nbfc@gmail.com), Website: [www.firl.co.in](http://www.firl.co.in)  
CIN: L51503DL1986PLC024329

## DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting this 36<sup>th</sup> Annual Report on the business and operation of the company together with Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2022.

### 1. Financial Highlights;

| Particulars   | 31.03.2022<br>(Amount in Lakhs) | 31.03.2021<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| Revenue from operation  | 51.17                           | 29.93                           |
| Other Income  | 1.75                            | 8.84                            |
| <b>Total Revenue</b>  | <b>52.92</b>                    | <b>38.77</b>                    |
| <b>Expenses</b>   | <b>43.02</b>                    | <b>46.91</b>                    |
| Profit/loss before exceptional item, extraordinary item and Tax | 9.90                            | (8.14)                          |
| Exceptional Item  | 0                               | 0                               |
| Profit & Loss before Extra-Ordinary items and tax               | 9.90                            | (8.14)                          |
| Extraordinary items   | 0                               | 0                               |
| Tax Expenses  | 10.93                           | 5.48                            |
| Profit & Loss for the period from continuing operations         | (1.03)                          | (13.62)                         |
| Other Comprehensive Income                                      | 330.66                          | 478.20                          |
| Profit After Comprehensive Income                               | 329.63                          | 464.58                          |

### Performance Overview

During the fiscal year ended 31<sup>st</sup> March 2022, Total revenue was Rs 52.92 lakhs as compared to Rs 38.77 lakhs in previous year. The Company continues to take effective steps in broad-basing range of activities. The Company has made a profit after comprehensive income of Rs 329.63 lakhs during the current financial year as against the loss of Rs 464.58 lakhs in previous financial year. Your Directors are deploying the profit for the development of the Company.

### 2. SUBSIDIARY COMPANIES

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

### 3. REGISTRATION AS AN 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 outstanding Balance of Rs 37.84 under Special Reserve (Standard Assets Reserve) as per directions of RBI. As per RBI guidelines, Company has also created Contingent Liability Risk Reserve Fund. However due to loss incurred by the Company during the period, the Company 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. MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT:**

The material changes, during the review period, have been disclosed in this report under respective section.

#### **7. ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS:**

With a view to simplify the Corporate structure, your company has filed the scheme of Amalgamation of Indus Netlink Limited, Castle Rock Advisors Private Limited and K2 Infosolutions Private Limited with the Hon'ble National Company Law Tribunal (NCLT) Delhi Branch under the provisions of the Companies Act, 2013. The order from the Hon'ble NCLT is awaited.

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

The company had 6 (Six) 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 (Annexure II).

#### **9. 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.

#### **10. 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.

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

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

#### **12. 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.

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

The Board of Directors of the Company comprises of Four Directors of which One is Non-Executive Non-Independent Directors, one Whole Time Director and Two Independent Directors (including a Woman Director). The constitution of the Board of Directors of the Company is in accordance with Section 149, 152 of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sanjeev Agrawal (DIN: 00282059), Director, are liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible have offered themselves for re-appointment. The Board recommends their reappointment at the ensuing Annual General Meeting of the Company.

Further Pursuant to the provisions section 160 of the Companies act, 2013, Mr. Akhil Bansal, was appointed as additional director of the Company as on 31<sup>st</sup> March, 2022, and proposed to regularized at ensuing annual general meeting as director of the Company.



Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standards – 2 on General Meetings, brief details of Mr. Sanjeev Agrawal and Mr. Akhil Bansal, is provided as to the Notice of the Annual General Meeting.

In accordance with Section 149(7) of the Companies Act, 2013, as amended, each Independent Director of the Company has given written declaration confirming that he meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Listing Regulations.

In pursuance of provisions of Companies (Accounts) Amendment Rules, 2019 and in the opinion of the Board of Directors of the Company, all the Independent Directors possess utmost integrity, expertise and experience in their area of specialization.

The following persons are designated as the Key Managerial Personnel of the Company.

Mr. Nishant Goyal – Whole Time Director  
Ms. Bharti – Company Secretary  
Mr. Umesh Kumar Gupta – Chief Financial Officer

#### **14. 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.

#### **15. CORPORATE GOVERNANCE:**

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

The Corporate Governance Report for the financial year ended 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022 issued by M/s Vimal Chadha & Associates, Company secretaries in practice 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 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022 which is attached as **Annexure-V**.

#### **16. 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 Vimal Chadha & Associates, Company Secretaries in Whole-time Practice, was appointed to conduct Secretarial Audit for the year ended 31<sup>st</sup> March, 2022. M/s Vimal Chadha & 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 2021-22.

#### **17. INTERNAL AUDIT:**

Internal Audit was by M/s Gupta Kamal & Co., for conduction of Internal Audit for Financial Year ended 31<sup>st</sup> March, 2022, the Company had appointed M/s Gupta Kamal & Co. as Internal Auditor of the Company.

## **18. STATUTORY AUDITOR:**

M/s S G R & Associates LLP, (Firm Registration No. 022767N) were appointed as statutory auditors of the Company at the 35<sup>th</sup> Annual General Meeting (AGM) held on 26<sup>th</sup> September, 2021 for a term of Five years i.e. from conclusion of 35<sup>th</sup> AGM till the conclusion of 40<sup>th</sup> AGM of the Company to be held in year 2022, pursuant to Section 139 of the Companies Act, 2013.

The Report given by M/s. S G R & Associates LLP, Chartered Accountants on the financial statements of the Company for the year 2022 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.

## **19. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:**

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.

## **20. 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 2021-22. 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.

## **21. 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.

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

During FY 2021-22, 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.

## **23. 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**.

## **24. 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.

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

The extract of annual return for the financial year 2021-22 will be hosted on the website of the Company at [www.firl.co.in](http://www.firl.co.in).

## **26. 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.

## **27. 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.

## **28. 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 31<sup>st</sup> March, 2022 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.

## **29. 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.

## **30. DEPOSITORY SYSTEM:**

The Company's Equity Shares are compulsorily tradable in electronic form. As on 31<sup>st</sup> March, 2022, 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.

## **31. 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 "

## **32. 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 Annual Report 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 Annual Report are being sent to those members who have not registered their email address with the company or depository participant(s).

### **33. 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.

### **34. 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: 28-05-2022  
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 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     |

**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 1<sup>st</sup> 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 Indian Accounting Standards prescribed by the Institute of Chartered Accountants of 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:** FIRC 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: 28-05-2022  
Place: New Delhi

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

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

## REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the year ended 31<sup>st</sup> March, 2022 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.

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Code of Corporate Governance aims Good governance practices 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.

### 2. BOARD OF DIRECTORS

#### (i) BOARD'S COMPOSITION AND CATEGORY

The Company is managed by the Board of Directors comprising of Four Directors, with one Whole Time Director, Three Non-Executive Directors including the Chairman and Two Independent Directors (including a Woman Director). All members of the Board are eminent persons with considerable professional expertise and experience. The Board consists of a balanced combination of Executive Directors and Independent Directors in accordance with the requirements of the Companies Act, 2013 and in compliance with the requirements of Regulation 17 of the Listing Regulations, as amended.

The Company has in place a succession plan for the Board of Directors and Senior Management of the Company.

The details of other Directorships/ Chairmanships and Memberships of Committees held by Directors of the Company as on March 31, 2022 is given below:

#### (ii) CLASSIFICATION OF BOARD

| CATEGORY  | No. OF DIRECTORS | % OF TOTAL NO. OF DIRECTORS |
|---|------------------|-----------------------------|
| Executive Directors   | 1                | 0.25                        |
| Non-Executive Independent Directors<br>(including Woman Director) | 2                | 0.50                        |
| Non-Executive Director  | 1                | 0.25                        |
| <b>TOTAL</b>  | <b>4</b>         | <b>100.00</b>               |

| Name of Director                                     | 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> |
|--|--|--|--|---|
| Mr. Sanjeev Agrawal<br><b>Non-Executive Director</b> | 15.02.2010<br>Regularized on<br>30.09.2010 | 12   | 1  | NIL   |
| Ms. Vickky Kumari<br><b>Independent Director</b>     | 13.02.2018                                 | 1  | NIL  | NIL   |
| Mr. Akhil Bansal<br><b>Independent Director</b>      | 31.03.2022                                 | 2  | 2  | NIL   |
| Mr. Nishant Goyal<br><b>Executive Director</b>       | 25.05.2018<br>Regularized on<br>25.09.2018 | 2  | NIL  | NIL   |

#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.

##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.

None of the Directors of the Company are related to each other, inter-se.

None of the Directors on the Board serve as an Independent Director in more than seven listed companies. No Director is a member of more than ten Committees or acts as the Chairman of more than five Committees across all companies in which he or she is a Director.

The Board of Directors are of the opinion that all Independent Directors of the Company fulfil the conditions of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and 25(8) of the Listing Regulations and hereby confirm that they are independent of the management.

During the FY 2021-22, Mr. Pankaj Gupta was resigned from independent directorship and Mr. Akhil Bansal was appointed as additional independent director subject to the further confirmation by members at ensuing General Meeting. None of the Director(s) of the Company hold any equity shares as on March 31, 2022, except Mr. Sanjeev Agrawal, who holds 420500 equity shares which accounts for 42.05% of the total paid-up equity share capital of the Company.

### **(iii) 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 6 (Six) Board Meetings during the financial year under review.

During the Financial Year ended 31st March, 2022, Six Board meetings were held on 26<sup>th</sup> May, 2021, 29<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 09<sup>th</sup> November, 2021, 12<sup>th</sup> February 2022 and 31<sup>st</sup> March, 2022.

The maximum gap between any two meetings was not more than the permissible under companies act, 2013, as stipulated under Regulation 17 of the Listing Regulations and Secretarial Standards and further provide relaxation by SEBI & MCA through circulars.

### **(iv) SEPARATE INDEPENDENT DIRECTORS' MEETINGS**

Pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, the Independent Directors met once during the year i.e. on March 31, 2022 through video conferencing, without the presence of Non-Independent Directors, Executive Directors and management representatives.

The Independent Directors were meet to discuss issues and concerns, 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, 2022 the meeting of Independent Directors was held on 31<sup>st</sup> March, 2022.

### **(v) 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 programs 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.

### **(vi) DISCLOSURE OF RELATIONSHIP OF DIRECTORS INTER-SE:**

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

#### **(vii) POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY**

The Nomination and Remuneration Committee (NRC) of the Company comprises Ms. Vickky Kumari, Chairperson, Mr. Akhil Bansal, 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.

#### **(viii) 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.

#### **(ix) 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.

### **3. CONSTITUTION OF COMMITTEES**

In accordance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has constituted various Committees. These Committees are entrusted with such powers and functions as detailed in its respective terms of reference. Besides, the approval(s), criteria of consideration of transactions and recommendations of the Committee serve as a road-map for the Board of Directors in governance and strategic decision making.

#### **i) 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. Akhil Bansal, as Chairman of the Committee.

#### **AUDIT COMMITTEE COMPOSITION**

Mr. Akhil Bansal - 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 31<sup>st</sup> March, 2022: i.e. 29<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 09<sup>th</sup> August, 2021, 12<sup>th</sup> February, 2021 and 31<sup>st</sup> March, 2022.

| Name of Member   | Designation | Particulars of attendance                      |  |
|------------------|-------------|--|--|
|                  |             | No. of meeting held during the Member's tenure | No. of Meetings attended by the member |
| Mr. Akhil Bansal | Chairman    | 1  | 1                                      |

|                                    |          |   |   |
|------------------------------------|----------|---|---|
| Mr. Sanjeev Agrawal                | Member   | 5 | 5 |
| Ms. Vickky Kumari                  | Member   | 5 | 5 |
| Mr. Pankaj Gutpa<br>Resigned as on | Chairman | 4 | 4 |

## **ii) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises;

### **Nomination Committee composition**

Ms. Vickky Kumari - Chairperson  
Mr. Sanjeev Agrawal- Member  
Mr. Akhil Bansal - 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 does not required to hold meeting during the Financial Year ended 31<sup>st</sup> March, 2022.

### **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 Whole Time 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.

### iii) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee comprises;

#### **Stakeholders Relationship Committee composition**

Ms. Vickky Kumari - Chairperson

Mr. Sanjeev Agrawal- Member

Mr. Nishant Goyal - Member

The Stakeholders' Relationship Committee of the Board has been constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors. The Committee oversees performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

Ms. Bharti, Company Secretary cum compliance officer acts as the Secretary to the Committee.

#### **TERM OF REFERENCE**

The role of Stakeholder Relationship Committee is as follows:

- a. Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates general meeting, etc.
- b. Review of measures taken for effective exercise of voting rights by shareholders.
- c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- e. Such other matters as may from time to time be required by any statutory or other regulatory requirements to be attended to by such Committee.

The Stakeholders Relation Committee does not required to hold meeting during the Financial Year ended 31<sup>st</sup> March, 2022.

#### **INVESTOR COMPLAINTS**

Complaints received during the period are as tabulated below:

| <b>Nature of Complaints</b>  | <b>Complaint received<br/>FY 2021-22</b> | <b>Complaint resolved<br/>FY 2021-22</b> |
|--|--|--|
| Relating to Transfer, Transmission etc., Dividend, Interest, Redemption etc., Change of address, Demat – Remat and others. | NIL                                      | NIL                                      |
| Received from SEBI, Stock Exchanges and other statutory authorities  | NIL                                      | NIL                                      |
| Complaints not solved to the satisfaction of shareholders  | NIL                                      | NIL                                      |
| Number of pending complaints   | NIL                                      | NIL                                      |
| <b>TOTAL</b>   | <b>NIL</b>                               | <b>NIL</b>                               |

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

| <b>Name</b>         | <b>Designation</b>                          | <b>No. of Shares Held AS ON 31.03.2022</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   | Whole Time Director<br>(Executive Director) | NIL  |
| Mr. Akhil Bansal    | Independent Director                        | NIL  |

#### **5. 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.

#### **6. DIRECTORS' ATTENDANCE RECORD**

The following table shows attendance of Directors at the Board and Committee meeting(s) for the year ended 31<sup>st</sup> March,2022. 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.

| Name                | Board Meeting | Audit Committee | Nomination and Remuneration Committee | Stakeholder Relationship Committee | Separate meeting of Independent Directors 31.03.2022 | Whether attended AGM 2020 |
|---------------------|---------------|-----------------|---------------------------------------|------------------------------------|--|---------------------------|
| Mr. Sanjeev Agrawal | 6 of 6        | 5 of 5          | 2 of 2                                | 1 of 1                             | NA   | YES                       |
| Mr. Nishant Goyal   | 6 of 6        | NA              | NA                                    | 1 of 1                             | NA   | YES                       |
| Mr. Pankaj Gupta    | 5 of 5        | 4 of 4          | 1 of 1                                | NA                                 | NA   | YES                       |
| Ms. Vickky Kumari   | 6 of 6        | 5 of 5          | 2 of 2                                | 1 of 1                             | YES  | YES                       |
| Mr. Akhil Bansal    | 1 of 1        | 1 of 1          | 1 of 1                                | NA                                 | YES  | YES                       |

## **7. GENERAL BODY MEETINGS**

The detail of Annual General Meetings convened during the last three years are as follow:

| Financial Year | AGM / EGM / Postal Ballot | Date and Time          | Venue                                     | Special Resolution   |
|----------------|---------------------------|------------------------|---|--|
| 2021           | AGM                       | 28.09.2021 at 02.30 PM | 25, Bazar Lane, Bengali Market, New Delhi | NA   |
| 2020           | AGM                       | 29.09.2020 at 04.00 PM | 25, Bazar Lane, Bengali Market, New Delhi | NA   |
| 2019           | AGM                       | 26.09.2019 at 02.00 PM | 25, Bazar Lane, Bengali Market, New Delhi | NA   |
| 2021           | EGM                       | 02.07.2021 at 3.00 PM  | Through VC/ OAVM                          | Approval of Scheme of Amalgamation and other connected matters |

## **8. 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; Metro Media 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>.

## **9. GENERAL SHAREHOLDERS' INFORMATION**

### **AGM FOR FINANCIAL YEAR 2021-22**

|              |   |
|--------------|---|
| <b>Date</b>  | <b>26<sup>th</sup> September, 2021,</b>           |
| <b>Venue</b> | 25, Bazaar Lane, Bengali Market, New Delhi-110001 |
| <b>Time</b>  | 02.30PM   |

## **10. PLEDGE OF SHARES:**

No pledge has been created over the Equity Shares held by the promoters as on 31<sup>st</sup> March, 2022. 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</b> | <b>Code/Scrip</b> | <b>ISIN Number for NSDL/CDSL (Dematerialized share)</b> |
|---|-------------------|-------------------|---|
| Metropolitan Stock Exchange of India Limited (MSEI)<br>205(A) , 2 <sup>nd</sup> floor, Piramal Agastya Corporate Park, Kamani Junction LBS Road, Kurla(West) Mumbai, - 400070 |                   | SCRIP CODE:FIRL   | ISIN: INE510L01017                                      |

## **11. CALENDAR OF FINANCIAL YEAR ENDED 31<sup>st</sup>MARCH, 2022**

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year ended 31<sup>st</sup> March, 2022 were held on the following date:

|  |  |
|--|--|
| First Quarter Results                  | 12 <sup>th</sup> August, 2021  |
| Second Quarter and Half yearly Results | 09 <sup>th</sup> November, 2021                                      |
| Third Quarter Results                  | 12 <sup>th</sup> February, 2022                                      |
| Fourth Quarter and Annual Results      | 30 <sup>th</sup> May, 2022   |
| Book Closure date                      | 20 <sup>th</sup> September, 2021 to 26 <sup>th</sup> September, 2021 |
| Cut Off date                           | 19 <sup>th</sup> September, 2021                                     |
| E voting                               | 23.09.2021 – 09.00 A.M. to 25.09.2021 – 05.00 P.M.                   |
| Scrutinizer for E Voting               | M/s Vimal Chadha & Associates  |

## **12. 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.

|  |  |
|--|--|
| Ms. Bharti<br><b>Registered Office:</b><br>25, bazaar Lane, Bengali Market,<br>New Delhi-11001<br>Tel. No.: 011-43585000;<br>Fax: 011-43585015<br>E-mail:firl.nbfc@gmail.com | <b>Registrar and Transfer Agent:</b><br>MAS Services Limited<br>T-34, 2nd Floor, Okhla Industrial Area,<br>Phase - II, New Delhi - 110 020<br>Ph: - 26387281/82/83<br>Email: - info@masserv.com<br>Website: www.masserv.com<br>Fax :- 26387384 |
|--|--|

## **13. MARKET INFORMATION**

### **i. 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.

### **ii. 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). FIRL 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.

### **iii. 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.

### **iv. 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, 2022, is given.

### **v. 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.

### **vi. 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.

## **14. OTHER DISCLOSURE**

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

During the reporting period, the Company has prepared its Financial Statements as per IND AS.

### **ii. 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.

### **iii. 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.

### **iv. 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.

### **v. 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.

### **vi. 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 2022.

## **vii. 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.

## **viii. 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.

## **ix. 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.

## **x. 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;

| NAME OF THE POLICY  | BRIEF DESCRIPTION   | WEBLINK   |
|---|---|---|
| <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 Securities of the Company   | <a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a> |
| <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> |



**xi. 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**

**xii. 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.

**xiii. 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.

**xiv. 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.

**xv. DETAILS REGARDING SENIOR MANAGERMENTS' 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.

**xvi. 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, 2022: 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, 2022**

| 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, 2022**

| 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         | 95                  | 189300             | 18.93             |
|        | holding nominal share capital in excess of Rs. 1 lakh | 4                   | 146400             | 14.64             |
| 12.    | Overseas Body Corporate                               | NIL                 | NIL                | NIL               |
| 13.    | Trust   | NIL                 | NIL                | NIL               |
| 14.    | Others  | 1                   | 48000              | 4.8               |
|        | <b>TOTAL</b>  | <b>103</b>          | <b>1000000</b>     | <b>100.00</b>     |

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT OF THE COMPANY**

In terms of Regulation 26(3) read with Schedule V (D) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended March 31, 2022.

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

Date: 28-05-2022  
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**

We have examined the compliance of conditions of Corporate Governance by Fortune Industrial Resources Limited for the year ended March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) for the financial year ended March 31, 2021.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. 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.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the outbreak of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended March 31, 2022.

We further 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.

For Vimal Chadha & Associates  
Company Secretaries in Practice

Place: New Delhi  
Date: 28.05.2022

(Vimal Chadha)  
Proprietor  
M.No.: F5758, COP No 18669  
(UDIN No. F005758D000416861)  
Peer Review No.: 1889/2022

**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, 2022.

By and on behalf of Board

For **Fortune Industrial Resources Ltd.**

**Nishant Goyal**

**Whole Time Director**

**DIN:08153024**

Place: New Delhi

Dated: 28<sup>th</sup> May, 2022

**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, 2022 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: 28<sup>th</sup> May, 2022  
Place: New Delhi

**Form No. MR-3**

**Secretarial Audit Report**

For the financial year ended March 31, 2022

[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). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents, authorized representatives and the explanations and clarifications given to me and representations made by Management during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs(MCA) and Securities and Exchange Board of India (SEBI) due to ongoing outbreak of the COVID- 19 Pandemic, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2022, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 and made available to me and according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (during the year under review, the Company has not issued any security)

- c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (during the year under review, the Company has not brought back any of its security).
- e) 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;
- f) The Securities and Exchange Board of India (shared based employee benefits) Regulation, 2014; (during the year under review, the Company has not issued any shares / securities to its employees).
- g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (during the year under review, the Company has not issued any debt Securities).
- h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (during the year under review, the Company has not issued any Non-Convertible and Redeemable Preference Shares).
- i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; During the year under review, the Company has received declaration from the Promoters, Directors and Senior Managerial Personnel as required under the regulation regarding the holding of Company's securities and there was no trading in the securities of the Company by the Promoters, Directors and Senior Managerial.
- j) Other laws as applicable specifically the Company as identified by the management.

**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.

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

We further report that, the compliance by the Company of applicable financial laws such as Direct and Indirect Tax Laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax 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, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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 Vimal Chadha & Associates**  
Company Secretaries

Place : New Delhi  
Dated : 28.05.2022

(Vimal Chadha)  
Proprietor  
**M. No. F5758 and C.P.No.18669**  
(UDIN : F005758D000417081)  
Peer Review No.: 1889/2022

*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 Vimal Chadha & Associates**  
Company Secretaries

Place : New Delhi  
Dated : 28.05.2022

*(UDIN : F005758D000417081)*  
Peer Review No.: 1889/2022

**(Vimal Chadha)**  
**Proprietor**  
**M. No. F5758, C.P.No.18669**

**SECRETARIAL COMPLAINT REPORT OF FORTUNE INDUSTRIAL RESOURCES LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022.**

(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**, (CIN: L51503DL1986PLC024329) (“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, 2022 (“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) Regulation, 2011- **during the year under review - the company has received declaration from the promoters as required under regulation regarding shareholding of the Company securities and the Company has not received any communication for substantial acquisition of shares and takeovers of the Company.**
- 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 - **during the year under review - the company has received declaration from the promoters, directors and senior Management personal as required under regulation regarding the holding of the Company's securities and there was no trading in the securities of the Company by promoters, directors and senior management Personal.**
- 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 thereunder 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 company with the Observations made in previous reports:

| Sr. no. | Observation of the Practicing | Observations made in the Secretarial | Action taken by | Comments of the Practicing Company |
|---------|-------------------------------|--------------------------------------|-----------------|------------------------------------|
|---------|-------------------------------|--------------------------------------|-----------------|------------------------------------|

|     | Company Secretary in the previous reports | Compliance report for the year ended | the Listed Entity, if any | Secretary on the actions taken by the listed entity |
|-----|---|--------------------------------------|---------------------------|---|
| NIL |   |                                      |                           |   |

**For Vimal Chadha & Associates  
Company Secretaries**

**Dated : 12.05.2022  
Place : New Dehi**

**CS Vimal Chadha  
Practicing Company Secretary  
COP. No.: 18669, M No. F5758  
ICSI Peer Review Cert. No. 1889/2022  
UDIN: F005758D000311382**

**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<br>Mr. Pankaj Agarwal-NA<br>Mr. Akhilesh Bansal-NA<br>Mrs. Vickky Kumari- NA<br>Mr. Nishant Goyal  |
| (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<br>Mr. Nishant Goyal-NA<br>Mr. Akhilesh Bansal-NA<br>Mr. Pankaj Gupta-NA<br>Mrs. Vickky Kumari- NA<br>Mr. Umesh Kumar Gupta-NA<br>Ms. Bharti- 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  | Mr. Umesh Kumar Gupta<br>Ms. Bharti   |
| (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<br>Salary increase of managerial personnel- NA<br>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 31.03.2022 is as per the remuneration policy of the Company.  |

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

Date: 28-05-2022  
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: 28-05-2022  
Place: New Delhi

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

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

**CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V para C clause 10(i) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Fortune Industrial Resources Limited  
25, Bazar Lane, Begnali Market,  
New Delhi 110001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of FORTUNE INDUSTRIAL RESOURCES LIMITED having CIN: L51503DL1986PLC024329 and having registered office at 25, Bazar Lane, Bengali Market, New Delhi 110001, produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the outbreak of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2022 has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

| Sr. No. | Name of Director    | Designation                              | DIN      | Date of Appointment |
|---------|---------------------|--|----------|---------------------|
| 1.      | Mr. Sanjeev Agrawal | Director - Non Executive Non Independent | 00282059 | 15/02/2010          |
| 2.      | Mr. Akhil Bansal    | Director - Non Executive Independent     | 07398573 | 31/03/2022          |
| 3.      | Mr. Nishant Goyal   | Whole Time Director                      | 08153024 | 25/05/2018          |
| 4.      | Ms. Vickky Kumari   | Director -Non Executive Independent      | 08248219 | 26/09/2018          |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dated : 28.05.2022  
Place : New Delhi

For Vimal Chadha & Associates  
Company Secretaries

(Vimal Chadha)  
Practising Company Secretary  
Membership No. F5758, COP 18669  
UDIN : F005758D000416971

To the Members of **FORTUNE INDUSTRIAL RESOURCES LIMITED**

**Report on the Audit of the Standalone Ind AS Financial Statement**

**Opinion**

We have audited the accompanying Ind AS Financial Statement of FORTUNE INDUSTRIAL RESOURCES LIMITED (“the Company”), which comprise the balance sheet as at 31st March 2022, the statement of Profit and Loss (including Other comprehensive income) ,the statement of change in equity and the statement of cash flows for the year then ended on that date , and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Standalone IND AS Financials Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statement give the information required by the Companies Act,2013”(the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 ,as amended, (“IND AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its loss and total comprehensive income, change in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Ind AS Financial Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statement under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS Financial Statement of the current period. These matters were addressed in the context of our audit of the standalone Ind AS Financial Statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

**Emphasis of Matter**

We draw attention to Note 16 (f) of the Ind AS Financial Statement, which explains about the fair valuation of investments as on reporting date on the basis of the previous financial year audited financial



statement of those companies where the company held its investments. Our opinion is not modified in respect of this matter.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statement**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statement 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statement, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statement**

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

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

- Identify and assess the risks of material misstatement of the Ind AS Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Ind AS Financial Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statement, including the disclosures, and whether the Ind AS Financial Statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS Financial Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS Financial Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS Financial Statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS Ind AS Financial Statement of the current period and are therefore the key audit matters. We describe these matters in our auditor’s reports unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the ‘**Annexure A**’, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Reserve Bank of India has issued the directions and sub directions indicating the areas to be examined in terms Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2016 issued under the RBI Act, as amended up to date and as applicable, the compliance of which is set out in ‘**Annexure B**’.
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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS Financial Statement 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 the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statement of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure C**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - I. The Company has disclosed pending litigations and the impact on its financial position - refer note No 21 to the Standalone Ind AS Financial Statement.
  - II. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - IV. No dividend has been declared or paid during the year by the company.

**For SGR & ASSOCIATES LLP**  
**Chartered Accountants**  
**FRN: 022767N**

**Place: -New Delhi**  
**Date: 28/05/2022**  
**UDIN:**  
**22507365AJUNUS9625**

**SANJEEV KUMAR**  
**(PARTNER)**  
**M. No. 507365**

**The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".**

We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;  
(B) The company does not have any intangible assets so this clause is not applicable to the company;
  - (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
  - (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Ind AS Financial Statement are held in the name of the company.
  - (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - (e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The Company is a Non-Banking Finance Company, and accordingly this clause is not applicable on the company.
  - (b) The company has not been sanctioned during any point of time of the year, working capital limits in excess of five Crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- (iii) During the year the company has made not investments (only revalued) in, nor provided any guarantee or security but granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) According to the information and explanation given to us in respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.

- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013 so this clause is not applicable on the company.
  
- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act. Accordingly, this clause is not applicable on the company.
  
- (vii) (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2022 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.
  
- (viii) According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
  
- (ix) (a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.  
  
(b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender.  
  
(c) According to the information and explanations given by the management, the Company has not obtained any money by way of term loans during the year.

- (d) According to the information and explanations given by the management, no funds raised on short term basis.
- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. So, this clause is not applicable on the company.  
(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;  
(c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- (xii) The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the Ind AS Financial Statement, etc., as required by the applicable accounting standards;
- (xiv) According to the explanation and information obtained, the company is in the process of maintaining internal audit system.
- (xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.

- (xvi) (a) The Company had obtained registration under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) In our Opinion and based on our examination, the Company has conducted Non-Banking Financial or Housing Finance activities after a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. The Company has a valid Certificate of Registration (CoR).
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the current financial year but there were losses in the immediately preceding financial year of Rs. 8.14 lakh.
- (xviii) There has been resignation of the statutory auditors during the year of M/s Bhala & Bhala (FRN 021008N).
- (xix) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS Financial Statement, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) Based on our examination, the provision of section 135 is not applicable on the company. Hence this clause is not applicable on the company.
- (xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

**For SGR & ASSOCIATES LLP  
Chartered Accountants  
FRN: 022767N**

**Place: -New Delhi  
Date: 28/05/2022**

**SANJEEV KUMAR  
(PARTNER)  
M. No. 507365**



**FORTUNE INDUSTRIAL RESOURCES LIMITED**

CIN:L51503DL1986PLC024329

Balance Sheet as at March 31,2022

(Rs in lakhs)

| Particulars   | Note No | As at March 31,2022 | As at March 31, 2021 |
|---|---------|---------------------|----------------------|
| <b>ASSETS</b>   |         |                     |                      |
| <b>1) Financial Assets</b>  |         |                     |                      |
| (a) Cash and cash equivalents   | 3       | 2.02                | 3.97                 |
| (b) Trade Receivables   | 4       | -                   | -                    |
| (c) Loans   | 5       | 432.00              | 415.00               |
| (d) Investments   | 6       | 5,179.98            | 4,732.25             |
| (e) Other financial assets  | 7       | 39.59               | 24.19                |
| (f) Bank Deposit  | 8       | 33.00               | 33.00                |
| <b>2) Non Financial Assets</b>  |         |                     |                      |
| (a) Current Tax Asset (Net)   | 9       | -                   | -                    |
| (b) Deferred Tax Asset (Net)  |         | -                   | -                    |
| (c) Investment Property   | 10      | 6.48                | 6.48                 |
| (d) Other Non financial assets  | 11      | -                   | -                    |
| <b>Total Assets</b>   |         | <b>5,693.07</b>     | <b>5,214.89</b>      |
| <b>Liabilities</b>  |         |                     |                      |
| <b>1) Financial Liabilites</b>  |         |                     |                      |
| <b>(a)Trade Payables</b>  |         |                     |                      |
| (i) total outstanding dues of micro enterprises and small enterprises                       |         | -                   | -                    |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |         | -                   | -                    |
| (b )Other Financial Liabilites  | 12      | 466.34              | 436.47               |
| <b>2) Non Financial Liabilites</b>  |         |                     |                      |
| (a) Current Tax Liability (Net)   | 9       | 4.54                | 1.46                 |
| (b)Deferred Tax Liability   | 13      | 1,305.75            | 1,188.30             |
| (c)Other Non Financial Liabilites   | 14      | 2.32                | 4.16                 |
| <b>Total Liabilites</b>   |         | <b>1,778.94</b>     | <b>1,630.39</b>      |
| <b>Equity</b>   |         |                     |                      |
| Equity Share Capital  | 15      | 100.00              | 100.00               |
| Other Equity  | 16      | 3,814.13            | 3,484.50             |
| <b>Total Equity</b>   |         | <b>3,914.13</b>     | <b>3,584.50</b>      |
| <b>Total Liabilities and Equity</b>   |         | <b>5,693.07</b>     | <b>5,214.89</b>      |

Summary of significant accounting policies (1-2)

The accompanying notes are an integral part of the financial statements (21-35)

As per our report of even date  
For SGR & Associates LLP ,  
Chartered Accountants  
Firm Registration Number : 022767N

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

Sanjeev Kumar  
(Partner)  
M.No :507365

Nishant Goyal  
(Whole Time Director)  
DIN:08153024

Vicky Kumari  
(Director)  
DIN:08248219

Bharti  
(Company Secretary)  
M No.A34492

Umesh Kumar Gupta  
(CFO)

Place : Delhi

Date :May 28,2022

**FORTUNE INDUSTRIAL RESOURCES LIMITED**

CIN:L51503DL1986PLC024329

Statement of Profit and Loss for the year ended March 31,2022

(Rs in lakhs)

| Particulars   | Note no. | For the period<br>March 31,2022 | For the period<br>March 31,2021 |
|---|----------|---------------------------------|---------------------------------|
| <b>I Revenue from operations</b>  |          |                                 |                                 |
| Interest Income   | 17       | 46.27                           | 22.27                           |
| Net Gain arising on Investments designated as at FVTPL                            |          | 4.88                            | 7.66                            |
| Gain on sale of mutual fund   |          | 0.01                            | -                               |
| <b>Total</b>  |          | <b>51.17</b>                    | <b>29.93</b>                    |
| <b>II Other Income</b>  | 18       | 1.75                            | 8.84                            |
| <b>III Total Income (I +II)</b>   |          | <b>52.92</b>                    | <b>38.77</b>                    |
| <b>IV Expenses</b>  |          |                                 |                                 |
| Employee benefit expense  | 19       | 1.20                            | 1.20                            |
| Other expense   | 20       | 11.88                           | 17.73                           |
| Finance Cost  | 21       | 29.93                           | 27.98                           |
| Loss on sale of mutual fund   |          | -                               | -                               |
| <b>Total expenses (IV)</b>  |          | <b>43.02</b>                    | <b>46.91</b>                    |
| <b>V Profit/ (loss) before exceptional items and tax (III-IV)</b>                 |          | <b>9.90</b>                     | <b>-8.14</b>                    |
| <b>VI Exceptional items</b>   |          | -                               | -                               |
| <b>VII Profit/ (loss) before tax (V-VI)</b>                                       |          | <b>9.90</b>                     | <b>-8.14</b>                    |
| <b>VIII Tax expense</b>   |          |                                 |                                 |
| a) Current Tax  |          | 9.34                            | 3.17                            |
| b) Deferred Tax   |          | 1.27                            | 1.99                            |
| c) Previous Year Tax adjustment   |          | 0.32                            | 0.32                            |
| <b>IX Profit/ (loss) for the period (VII-VIII)</b>                                |          | <b>-1.03</b>                    | <b>-13.62</b>                   |
| <b>X Other Comprehensive Income/(Loss)</b>  |          |                                 |                                 |
| (i) Items that will not be reclassified to profit or loss                         |          |                                 |                                 |
| (a)Equity instruments through other comprehensive income                          |          | 446.84                          | 646.22                          |
| (ii) Income tax relating to items that will not be reclassified to profit or loss |          | -116.18                         | -168.02                         |
| <b>XI Total comprehensive income for the period (X+XI)</b>                        |          | <b>329.63</b>                   | <b>464.58</b>                   |
| <b>XII Earnings per share</b>   | 26       |                                 |                                 |
| a) Basic  |          | -0.10                           | -1.36                           |
| b) Diluted  |          | -0.10                           | -1.36                           |

The accompanying notes are an integral part of the financial statements (21-35)

As per our report of even date  
For SGR & Associates LLP ,  
Chartered Accountants  
Firm Registration Number : 022767N

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

Sanjeev Kumar  
(Partner)  
M.No :507365

Nishant Goyal  
(Whole Time Director)  
DIN : 08153024

Vicky Kumari  
(Director)  
DIN:08248219

Bharti  
(Company Secretary)  
M No.A34492

Umesh Kumar Gupta  
(CFO)

Place : Delhi  
Date:May 28,2022

**FORTUNE INDUSTRIAL RESOURCES LIMITED**

CIN:L51503DL1986PLC024329

Standalone Cash Flow Statement for the year ended March 31,2022

(Rs in lakhs)

| Particular  | Year ended<br>March 31,2022 | Year ended<br>March 31,2021 |
|---|-----------------------------|-----------------------------|
| <b>Cash flows from Operating Activities</b>                           |                             |                             |
| Profit Before Tax   | 9.90                        | -8.14                       |
| Adjustments for:  |                             |                             |
| Net Loss/(gain) arising on investments measured at FVTPL              | -4.88                       | -7.66                       |
| Loss/(gain) on sale of mutual fund                                    | -0.01                       | -                           |
| <b>Operating Profit before working capital changes</b>                | <b>5.01</b>                 | <b>-15.81</b>               |
| <b>Changes in Working Capital:</b>                                    |                             |                             |
| Adjustments for (increase)/decrease in operating assets               |                             |                             |
| Loans   | -17.00                      | -200.00                     |
| Other financial assets  | -15.40                      | -0.07                       |
| Other current asset & non current assets                              | -                           | 208.58                      |
| Adjustments for increase/(decrease) in operating liabilities          |                             |                             |
| Trade payables  | -                           | -                           |
| Other current liabilities   | 29.87                       | 14.10                       |
| Other non-financial liabilities                                       | -1.85                       | 2.29                        |
| <b>Cash generated from operations</b>                                 | <b>0.63</b>                 | <b>9.09</b>                 |
| Income tax paid   | -6.58                       | -5.54                       |
| <b>Net cash flow from Operating Activities (A)</b>                    | <b>-5.95</b>                | <b>3.56</b>                 |
| <b>Cash flows from Investing Activities</b>                           |                             |                             |
| Proceeds from sale of Investments                                     | 4.00                        | -                           |
| Interest received   | -                           | -                           |
| <b>Net cash flow from / (used in) Investing Activities (B)</b>        | <b>4.00</b>                 | <b>-</b>                    |
| <b>Cash flows from Financing Activities</b>                           |                             |                             |
| Repayments of other than short term borrowings                        | -                           | -                           |
| Increase/(decrease) in short term borrowings                          | -                           | -                           |
| <b>Net cash flow from/(used in) Financing Activities (C)</b>          | <b>-</b>                    | <b>-</b>                    |
| <b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b>-1.95</b>                | <b>3.56</b>                 |
| Cash and Cash equivalents at the beginning of year                    | 3.97                        | 0.41                        |
| Cash and Cash equivalents at the end of the year                      | <b>2.02</b>                 | <b>3.97</b>                 |

As per our report of even date  
For SGR & Associates LLP ,  
Chartered Accountants  
Firm Registration Number : 022767N

Sanjeev Kumar  
(Partner)  
M.No :507365

Place : Delhi  
Date: May 28,2022

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

Nishant Goyal                      Vicky Kumari  
(Whole Time Director)          (Director)  
DIN : 08153024                      DIN:08248219

Bharti                                      Umesh Kumar Gupta  
(Company Secretary)                  (CFO)  
M No.A34492

## FORTUNE INDUSTRIAL RESOURCES LIMITED

CIN:L51503DL1986PLC024329

Statement of Changes in Equity for the year ended March 31,2022

### A. Equity Share Capital

| Particulars                              | No. of Shares | Amount (in Lakhs) |
|--|---------------|-------------------|
| Balance as at April 01, 2020             | 10,00,000     | 100               |
| Changes in Share Capital during the year | -             | -                 |
| Balance as at March 31, 2021             | 10,00,000     | 100               |
| Changes in Share Capital during the year | -             | -                 |
| Balance as at March 31, 2022             | 10,00,000     | 100               |

### B. Other Equity

| Particulars                             | Reserve and Surplus  |                    |  |                   | Items of Other Comprehensive Income | Equity Component of                                       | Total    |
|---|----------------------|--------------------|--|-------------------|-------------------------------------|---|----------|
|   | Special Reserve Fund | Securities Premium | Contingent Provision against Standard Assets | Retained Earnings | Equity instruments                  | Redeemable Preference Share Capital (Net of Deferred Tax) |          |
| Balance as at April 01, 2020            | 37.84                | 404.55             | 0.54   | 2,245.71          | 326.75                              | 4.55  | 3,019.92 |
| Transfer to Special Reserve fund        | -                    | -                  | -  | -                 | -                                   | -   | -        |
| Transfer to Standard Asset Reserve      | -                    | -                  | -  | -                 | -                                   | -   | -        |
| Profit for the year                     | -                    | -                  | -  | -13.62            | -                                   | -   | -13.62   |
| Fair value of equity instruments        | -                    | -                  | -  | -                 | 646.22                              | -   | 646.22   |
| Reversal of excess income tax provision | -                    | -                  | -  | -                 | -168.02                             | -   | -168.02  |
| Balance as at March 31, 2021            | 37.84                | 404.55             | 0.54   | 2,232.08          | 804.95                              | 4.55  | 3,484.50 |
| Transfer to Special Reserve Fund        | -                    | -                  | -  | -                 | -                                   | -   | -        |
| Reversal of excess income tax provision | -                    | -                  | -  | -                 | -                                   | -   | -        |
| Profit for the year                     | -                    | -                  | -  | -1.03             | -                                   | -   | -1.03    |
| Other adjustments                       | -                    | -                  | -  | -                 | 330.66                              | -   | 330.66   |
| Balance as at March 31, 2022            | 37.84                | 404.55             | 0.54   | 2,231.05          | 1,135.61                            | 4.55  | 3,814.13 |

Summary of significant accounting policies (1-2)

The accompanying notes are an integral part of the financial statements (21-35)

As per our report of even date  
**For SGR & Associates LLP ,**  
 Chartered Accountants  
 Firm Registration Number : 022767N

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

**Sanjeev Kumar**  
 (Partner)  
 M.No :507365

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

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

**Bharti**  
 (Company Secretary)  
 M No.A34492

**Umesh Kumar Gupta**  
 (CFO)

Place : Delhi  
 Date:May 28,2022

**Details relating to Preference Share Capital**

Amount in lakhs

| Particulars                                   | As at          | As at          |
|---|----------------|----------------|
|   | March 31, 2022 | March 31, 2021 |
| <b>Authorized</b>                             |                |                |
| 1,00,000 Preference Shares of Rs 10/-each.    | 10.00          | 10.00          |
| <b>Issued, Subscribed &amp; Fully Paid up</b> |                |                |
| 1,00,000 Preference Shares of Rs 10/-each.    | 10.00          | 10.00          |
| <b>Total</b>                                  | <b>10.00</b>   | <b>10.00</b>   |

**(a) Reconciliation of shares outstanding at the beginning and at end of the year:**

| Particulars                     | As at March 31, 2022 |              | As at March 31, 2021 |              |
|---------------------------------|----------------------|--------------|----------------------|--------------|
|                                 | No of Shares         | Amount       | No of Shares         | Amount       |
| Opening Balance                 | 1,00,000             | 10.00        | 1,00,000             | 10.00        |
| Add:- Addition during the Year  | -                    | -            | -                    | -            |
| Less:- Deletion during the Year | -                    | -            | -                    | -            |
| <b>Closing Balance</b>          | <b>1,00,000</b>      | <b>10.00</b> | <b>1,00,000</b>      | <b>10.00</b> |

**(b) Terms/rights attached to Preference shares**

- i) The Issue of 100000, Non-Convertible Redeemable Preference Shares (NCRPS) of Rs 10/- each at premium of Rs 890/- each has been made on March 31, 2011.
- ii) The NCRPS shall confer the same voting rights as Ordinary Shares of the Company.
- iii) NCRPS are not entitled to participate in any distributions declared in respect of Ordinary Shares.
- iv) NCRPS rank in priority to Ordinary Shares of the Company in the event of the winding of the Company but behind any creditors of the Company
- v) NCRPS do not carry any interest rate
- vi) NCRPS shall not be convertible into equity shares
- vii) NCRPS will be unlisted securities and are freely transferable by private treaty.
- viii) NCRPS shall be redeemable at the the end of 20 years from the date of issue .

**(c) Details of Shareholders holding more than 5% Preference shares in the company**

| Name of Shareholder                          | As at March 31, 2022 |                    | As at March 31, 2021 |                    |
|--|----------------------|--------------------|----------------------|--------------------|
|  | No. of Pref Shares   | Percentage Holding | No. of Pref Shares   | Percentage Holding |
| M/s Maksad Buidcon Private Limited Business  | 55,556               | 55.56%             | 55,556               | 55.56%             |
| M/s Maksad Infracon Private Limited Business | 44,444               | 44.44%             | 44,444               | 44.44%             |
|  | <b>1,00,000</b>      | <b>100.00%</b>     | <b>1,00,000</b>      | <b>100.00%</b>     |

# FORTUNE INDUSTRIAL RESOURCES LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

## Summary of Significant Accounting Policies

### Background

#### 1 Corporate Information

The Fortune Industrial Resources Limited is Public Company incorporated under Companies Act, 1956 on 28th day of May 1986 having its registered office at 25 Bazar Lane, Bengali Market, New Delhi -110001 . The company is engaged in the business of Non-Banking Financial Activity (NBFC Activity) and is registered under Sec 45IA of the Reserve Bank of India Act 1934 vide its registration no B14.01702.

#### 2 Statement of Significant Accounting Policies

##### 2.1 Compliance with Indian Accounting Standard

The Standalone Ind AS financial statements (" financial statements") comprising of Balance Sheet, Statement of Profit & Loss, Statement of change in equity and Cash Flow Statement together with notes have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

##### 2.2 Basis of preparation and presentation

The Financial Statements have been prepared on a historical cost convention on accrual basis, except for certain financial instruments that are measured at Fair Value

- . Derivative financial instruments
- . Defined benefit plans
- . Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

#### Summary of significant accounting policies

##### a) Classification of current and non- current assets

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

An asset is treated as current when it is:

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

All other assets are classified as noncurrent.

A liability is current when:

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

The Company classifies all other liabilities as non - current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

##### b) Fair Value Measurement

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

Management uses valuation techniques in measuring the fair value of financial instrument where active market codes are not available. Details of assumption used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs and uses estimates and assumptions that are, as fast as possible, consistent with observable data that market participant would use in pricing the instrument where application data is not observable, management uses its best estimate about the assumption that market participant would make. These estimates may vary from actual prices that would be achieved in an arm's length transaction at the reporting date.

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

**c) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment, excluding taxes or duties collected on behalf of the Government. It comprises Interest Income on advances given.

**Dividend Income**

Revenue is recognised when the entity's right to receive the payment is established, which is generally when shareholders approve the dividend.

**Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the entity estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

**d) Taxes**

Income tax expense comprises current tax expense and net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**Current Income Tax**

Tax on income for the current period is determined on the basis of estimated taxable income and tax credit computed in accordance with the provisions of the Income Tax Act, 1961.

**Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Income tax expenses comprises current tax expense and net change in the deferred tax asset and liability during the year. Current and deferred taxes are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred taxes are recognised in other comprehensive income or directly in equity, respectively.

**e) Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on all fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) method. Depreciation is provided based on useful life of the assets as prescribed in schedule II to the Companies Act, 2013

**f) Provisions, contingent liability and contingent assets**

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**g) Financial instruments**

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

**(i) Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.
- Investment in equity of subsidiaries, joint ventures and associates are accounted and carried at cost less impairment in accordance with Ind AS 27.

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

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

**(ii) Initial Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**(iii) Subsequent Measurement**

**Debt instruments**

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

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.



- **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. At present no financial assets fulfill this condition.

- **Fair value through profit or loss(FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### **Equity instruments**

All equity investments in scope of Ind AS 109, are measured at fair value. At Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss, even on sale of investment. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gain/ (losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

#### **De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of Financial Assets**

For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

#### **Impairment of Non-Financial Assets**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired.

Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized. An impairment loss recognized for goodwill is not reversed in subsequent periods.

#### **Investment Property**

Investments are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### **Trade Receivables**

These amounts represent amount receivable against sale of shares. The amounts are unsecured and are usually paid within the operating cycle of the business. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

#### **h) Financial Liabilities**

##### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

##### **Subsequent measurement**

##### **Financial liabilities at amortized cost**

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss.

##### **Trade and other payables**

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

### **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gains/(losses).

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

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

#### **i) Offsetting financial instruments**

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

#### **j) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments

#### **k) Investments in Subsidiaries, joint Ventures, Associates & other Group Companies**

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

Investment carried at cost will be tested for impairment as per Ind AS 36.

#### **l) Earnings per Share**

##### **Basic earnings per share**

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

##### **Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **m) Provisions**

A provision is recognized when the Company has a present obligation (Legal or Constructive) as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n) **Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

# FORTUNE INDUSTRIAL RESOURCES LIMITED

CIN:L51503DL1986PLC024329

Notes to Financial Statements for the year ended March 31, 2022

(Rs in lakhs)

## Note 3 : Cash and Cash Equivalents

| Particulars         | As at March 31, 2022 | As at March 31, 2021 |
|---------------------|----------------------|----------------------|
| Cash on hand        | 1.03                 | 1.03                 |
| Balances with banks | -                    | -                    |
| - current account   | 0.99                 | 2.94                 |
| <b>Total</b>        | <b>2.02</b>          | <b>3.97</b>          |

## Note 4 : Trade Receivables

| Particulars  | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Trade Receivables  |                      |                      |
| Receivables considered good - Secured;                     | -                    | -                    |
| Receivables considered good - Unsecured                    | -                    | -                    |
| Receivables which have significant increase in Credit Risk | -                    | -                    |
| Receivables - credit impaired                              | -                    | -                    |
| Less :Allowance for impairment loss                        | -                    | -                    |
| <b>Total</b>   | <b>-</b>             | <b>-</b>             |

## Note 5 : Loans

| Particulars  | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| <b>Loans Repayable on Demand (at amortised cost)</b> |                      |                      |
| Aarey Organic Industries Pvt. Ltd.                   | -                    | 180.00               |
| Aditri Chemicals & Minerals Pvt. Ltd.                | 235.00               | 235.00               |
| A.J.Shrink Wrap Pvt Ltd                              | 25.00                | -                    |
| HAL OffShore Limited                                 | 172.00               | -                    |
| Less: Impairment loss allowance                      | -                    | -                    |
| <b>Total</b>   | <b>432.00</b>        | <b>415.00</b>        |

## Note 6: - Investments

| Particulars                                       | Unit        |             | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------|-------------|----------------------|----------------------|
|   | { 2022}     | [2021]      |                      |                      |
| <b>Unquoted</b>                                   |             |             |                      |                      |
| <b>Investments in Fully paid up equity shares</b> |             |             |                      |                      |
| <b>In Others (at FVTOCI)</b>                      |             |             |                      |                      |
| HAL Offshore Limited                              | {22600}     | [22600]     | 1,123.93             | 824.79               |
|   |             |             | -                    | -                    |
|   |             |             | -                    | -                    |
| Moon Beverages Limited                            | {527198}    | [527198]    | 3,858.51             | 3,710.56             |
|   |             |             | -                    | -                    |
|   |             |             | -                    | -                    |
| Saptrishi Finance Limited                         | {809120}    | [809120]    | 93.12                | 93.37                |
|   |             |             | -                    | -                    |
| <b>Total of Unquoted Investments (A)</b>          |             |             | <b>5,075.56</b>      | <b>4,628.72</b>      |
| <b>Quoted</b>                                     |             |             |                      |                      |
| <b>Investments in Mutual Fund</b>                 |             |             |                      |                      |
| <b>(at FVTPL)</b>                                 |             |             |                      |                      |
| Nippon India Strategic Debt Fund-Growth Plan      | {244000.66} | [253779.53] | 104.42               | 103.53               |
|   |             |             | -                    | -                    |
| <b>Total of Quoted Investments (B)</b>            |             |             | <b>104.42</b>        | <b>103.53</b>        |
| <b>Total(A+B)</b>                                 |             |             | <b>5,179.98</b>      | <b>4,732.25</b>      |

**Note 7 : Other Financial Assets**

| Particulars         | As at March 31, 2022 | As at March 31, 2021 |
|---------------------|----------------------|----------------------|
| Rent Receivable     | 2.04                 | 2.04                 |
| Interest Receivable | 37.55                | 22.15                |
| <b>Total</b>        | <b>39.59</b>         | <b>24.19</b>         |

**Note 8 : Bank Deposit**

| Particulars       | As at March 31, 2022 | As at March 31, 2021 |
|-------------------|----------------------|----------------------|
| FDR with PNB bank | 33.00                | 33.00                |
| <b>Total</b>      | <b>33.00</b>         | <b>33.00</b>         |

**Note 9 : Current Tax Liability/(Assets) (Net)**

| Particulars                  | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------|----------------------|----------------------|
| Income Tax                   | 9.34                 | 3.17                 |
| Less : Advance Tax/ TDS/ TCS | 4.80                 | 1.71                 |
| <b>Total</b>                 | <b>4.54</b>          | <b>1.46</b>          |

**Note 10 : Investment Property**

| Particulars                      | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------------|----------------------|----------------------|
| Flat in Delhi                    |                      |                      |
| Opening Balance                  | 6.48                 | 6.48                 |
| Addition                         | -                    | -                    |
| Disposals                        | -                    | -                    |
| Other adjustments                | -                    | -                    |
| Depreciation during the year     | -                    | -                    |
| Impairment Loss/ other reversals | -                    | -                    |
| Closing Balance                  | 6.48                 | 6.48                 |
| <b>Total</b>                     | <b>6.48</b>          | <b>6.48</b>          |

**Note 11 : Other Non Financial Assets**

| Particulars                    | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------|----------------------|----------------------|
| Income Tax Paid against Appeal | -                    | -                    |
| <b>Total</b>                   | <b>-</b>             | <b>-</b>             |

**Note 12: Other Financial Liabilities**

| Particulars  | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Advance received   | -                    | -                    |
| Liability Component of Redeemable Preference Share Capital | 457.51               | 427.58               |
| Liability for Expenses                                     | 8.82                 | 8.88                 |
| <b>Total</b>   | <b>466.34</b>        | <b>436.47</b>        |

**Note 13: Deferred Tax Liability**

Significant components of deferred tax liabilities (net) as at March 31, 2022 are as follows:

| Particulars                                       | Opening Balance<br>(As at April 01,<br>2021) | Recognised in<br>Statement of Profit<br>and Loss | Recognised in Other<br>Comprehensive Income<br>(OCI) | Closing Balance (As at<br>March 31, 2022) |
|---|--|--|--|---|
| <b>Deferred tax (assets) in relation to:</b>      |  |  |  |   |
| origination and reversal of temporary differences | 2.82   | -0.00  | -  | 2.81                                      |
|   | <b>2.82</b>                                  | <b>-0.00</b>                                     | <b>-</b>   | <b>2.81</b>                               |
| <b>Deferred tax (liabilities) in relation to:</b> |  |  |  |   |
| Liability Component of Preference Share Capital   | 141.87                                       | -  | -  | 141.87                                    |
| Fair value of investments                         | 1,048.20                                     | 1.27   | 116.18   | 1,165.64                                  |
| origination and reversal of temporary differences | 1.05   | -  | -  | 1.05                                      |
|   | <b>1,191.11</b>                              | <b>1.27</b>                                      | <b>116.18</b>  | <b>1,308.56</b>                           |
| <b>Deferred Tax Liabilities (net)</b>             | <b>1,188.30</b>                              | <b>1.27</b>                                      | <b>116.18</b>  | <b>1,305.75</b>                           |

Significant components of deferred tax liabilities (net) as at March 31, 2021 are as follows:

| Particulars                                       | Opening Balance<br>(As at April 01,<br>2020) | Recognised in<br>Statement of Profit<br>and Loss | Recognised in Other<br>Comprehensive Income<br>(OCI) | Closing Balance (As at<br>March 31, 2021) |
|---|--|--|--|---|
| <b>Deferred tax (assets) in relation to:</b>      |  |  |  |   |
| origination and reversal of temporary differences | 2.82   | -  | -  | 2.82                                      |
|   | <b>2.82</b>                                  | <b>-</b>   | <b>-</b>   | <b>2.82</b>                               |
| <b>Deferred tax (liabilities) in relation to:</b> |  |  |  |   |
| Liability Component of Preference Share Capital   | 141.87                                       | -  | -  | 141.87                                    |
| Fair value of investments                         | 878.19                                       | 1.99   | 168.02   | 1,048.20                                  |
| origination and reversal of temporary differences | 1.05   | -  | -  | 1.05                                      |
|   | <b>1,021.10</b>                              | <b>1.99</b>                                      | <b>168.02</b>  | <b>1,191.11</b>                           |
| <b>Deferred Tax Liabilities (net)</b>             | <b>1,018.29</b>                              | <b>1.99</b>                                      | <b>168.02</b>  | <b>1,188.30</b>                           |

**Note 14 : Other Non Financial Liabilities**

| Particulars           | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------|----------------------|----------------------|
| Statutory Liabilities | 0.18                 | 0.25                 |
| Other payables        | 2.13                 | 3.91                 |
| <b>Total</b>          | <b>2.32</b>          | <b>4.16</b>          |

**Note 15: Equity Share Capital**

| Authorised                   | As at March 31, 2022 |        | As at March 31, 2021 |        |
|------------------------------|----------------------|--------|----------------------|--------|
|                              | No. of Shares        | Amount | No. of Shares        | Amount |
| Equity shares of Rs. 10 each | 29,00,000            | 290.00 | 29,00,000            | 290.00 |
|                              | 29,00,000            | 290.00 | 29,00,000            | 290.00 |

**Issued, subscribed and fully paid-up**

|                              |           |        |           |        |
|------------------------------|-----------|--------|-----------|--------|
| Equity shares of Rs. 10 each | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
|                              | 10,00,000 | 100.00 | 10,00,000 | 100.00 |

**(a) Reconciliation of number of shares**

| Particulars                   | As at March 31, 2022 |               | As at March 31, 2021 |               |
|-------------------------------|----------------------|---------------|----------------------|---------------|
|                               | No. of Shares        | Amount        | No. of Shares        | Amount        |
| <b>Equity Shares</b>          |                      |               |                      |               |
| At the beginning of the year  | 10,00,000            | 100.00        | 10,00,000            | 100.00        |
| Changes during the year       | -                    | -             | -                    | -             |
| <b>At the end of the year</b> | <b>10,00,000</b>     | <b>100.00</b> | <b>10,00,000</b>     | <b>100.00</b> |

**(b) Rights, preferences and restrictions attached to shares**

**Equity Shares**

The Company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c) Detail of Equity shareholders holding more than 5% shares in the Company**

| Name of share holders | As at March 31, 2022 |              | As at March 31, 2021 |              |
|-----------------------|----------------------|--------------|----------------------|--------------|
|                       | Numbers              | % of holding | Numbers              | % of holding |
| Mr. Sanjeev Agarwal   | 4,20,500             | 42.05%       | 4,20,500             | 42.05%       |
| Mrs. Prabha Agarwal   | 1,00,000             | 10.00%       | 1,00,000             | 10.00%       |
| Mrs. Deepti Agarwal   | 95,800               | 9.58%        | 95,800               | 9.58%        |
| Mr. Mukesh Agarwal    | 69,200               | 6.92%        | 69,200               | 6.92%        |

**d) Shares held by Promoter at the end of the year**

| Promoter Name      | No of share | % of total share | % Change during the year |
|--------------------|-------------|------------------|--------------------------|
| Mr.Sanjeev Agrawal | 4,20,500.00 | 42.05%           | Nil                      |
| Mrs.Prabha Agrawal | 1,00,000.00 | 10.00%           | Nil                      |
| Mrs.Deepti Agrawal | 95,800.00   | 9.58%            | Nil                      |

**Note 16: Other Equity**

| Particulars  | As at March 31, 2022   | As at March 31, 2021   |
|--|------------------------|------------------------|
| <b>Securities Premium</b>  |                        |                        |
| Opening balance  | 404.55                 | 404.55                 |
| Less: Ind AS Adjustments (Net of deferred tax)                                   | -                      | -                      |
| Closing balance  | <u>404.55</u>          | <u>404.55</u>          |
| <b>Special Reserve Fund</b>  |                        |                        |
| Opening balance  | 37.84                  | 37.84                  |
| Add: Created during the year   | -                      | -                      |
| Less: Utilised during the year   | -                      | -                      |
| Closing balance  | <u>37.84</u>           | <u>37.84</u>           |
| <b>Contingent Provision against standard assets</b>                              | 0.54                   | 0.54                   |
| <b>Retained Earnings</b>   |                        |                        |
| Opening balance  | 2,232.08               | 2,245.71               |
| Add: Profit for the year transferred from the Statement of Profit and Loss       | -1.03                  | -13.62                 |
| Less: Transfer to Special Reserve Fund   | -                      | -                      |
| Less : Transfer to Standard Assets Reserve                                       | -                      | -                      |
| Add:Reversal of excess provision made for I.Tax & previous years I.Tax           | -                      | -                      |
| Refund Received  | -                      | -                      |
| Add: Ind AS adjustment   | -                      | -                      |
| Closing Balance  | <u>2,231.05</u>        | <u>2,232.08</u>        |
| <b>Other Comprehensive Income</b>  |                        |                        |
| Opening Balance  | 804.95                 | 326.75                 |
| Add : Equity Instruments through Other Comprehensive Income                      | 446.84                 | 646.22                 |
| Less : Income tax related to OCI   | -116.18                | -168.02                |
| Closing Balance  | <u>1,135.61</u>        | <u>804.95</u>          |
| Equity Component of Redeemable Preference Share Capital<br>(net of Deferred Tax) | 4.55                   | 4.55                   |
| <b>Total Other Equity</b>  | <u><u>3,814.13</u></u> | <u><u>3,484.50</u></u> |

**Nature and purpose of reserves****(a)Securities Premium**

Securities premium represents amount of premium received on issue of Preference Share Capital net of expense incurred on issue of shares.This amount is utilised in accordance with the provisions of the Companies Act, 2013.

**(b)Special Reserve created u/s 45-IC(1) of Reserve Bank of India Act, 1934**

Special Reserve created u/s 45-IC(1) of Reserve Bank of India Act, 1934 represents transfer from retained earning @ 20 % of net profit after tax for the year as disclosed in profit and loss account and before any dividend is declared.

**(c)Contingent Provision against standard assets**

Provision for Standard Assets is created at 0.25 percent of the outstanding risk weighted assets, which shall not be reckoned for arriving at net NPAs.These are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses.

**(d)Retained earnings**

Retained earnings represent profits and items of Statement of profit & loss recognised directly in retained earnings earned by the Company less dividend distributions and transfer to and from other reserves.

**(d)Other Comprehensive Income**

The Company elected to recognise changes in the fair value of certain investment in equity instruments through other comprehensive income. This reserves represents cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. When the asset is derecognized,amounts in the reserve are subsequently transferred to retained earnings and not to standalone statement of profit and loss. Dividends on such investments are recognized as profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

**(e)Equity Component of Redeemable Preference Share Capital**

It represents the Equity part of Redeemable Preference Share Capital net of deferred Tax impact .

(f) Fair value of Investments in unquoted Equity Instruments as on 31.03.2022 has been arrived at on the basis of Book Value of respective investments in Equity instruments ,computed relying upon audited financials statements as on 31.03.2021 only



**FORTUNE INDUSTRIAL RESOURCES LIMITED**

CIN:L51503DL1986PLC024329

Notes to Financial Statements for the year ended March 31,2022

**Note 17:Interest Income**

(Rs in lakhs)

| <u>Particulars</u> | Year Ended<br>March 31,2022 | Year Ended<br>March 31,2021 |
|--------------------|-----------------------------|-----------------------------|
| Interest on Loans  | 46.27                       | 22.27                       |
|                    | <u>46.27</u>                | <u>22.27</u>                |

**Note 18:Other Income**

| <u>Particulars</u>            | Year Ended<br>March 31,2022 | Year Ended<br>March 31,2021 |
|-------------------------------|-----------------------------|-----------------------------|
| Interest on Income Tax Refund | -                           | 8.33                        |
| Interest on FDR               | 1.75                        | 0.51                        |
| Short and Excess              | -                           | 0.00                        |
|                               | <u>1.75</u>                 | <u>8.84</u>                 |

**Note 19: Employee Benefit Expenses**

| <u>Particulars</u> | Year Ended<br>March 31,2022 | Year Ended<br>March 31,2021 |
|--------------------|-----------------------------|-----------------------------|
| Salaries & Wages   | 1.20                        | 1.20                        |
|                    | <u>1.20</u>                 | <u>1.20</u>                 |

**Note 20: Other Expenses**

| <u>Particulars</u>           | Year Ended<br>March 31,2022 | Year Ended<br>March 31,2021 |
|------------------------------|-----------------------------|-----------------------------|
| Audit Fees                   | 1.00                        | 1.00                        |
| Cost of Advertising          | 1.74                        | 0.05                        |
| Bank Charges                 | 0.02                        | 0.01                        |
| Conveyance Expenses          |                             | 0.04                        |
| Fee & Taxes                  | 0.96                        | 2.40                        |
| Legal & Professional Charges | 4.99                        | 13.60                       |
| Office Rent & Maintenance    | 1.80                        | -                           |
| Postage & Telegram           | 0.00                        | -                           |
| Printing & Stationary        | 0.58                        | 0.08                        |
| Internet & Domain Expenses   | -                           | 0.06                        |
| Director Sitting Fees        | 0.40                        | 0.50                        |
| Prior Period Expense         | 0.39                        | -                           |
|                              | <u>11.88</u>                | <u>17.73</u>                |

**Note 21: Finance Cost**

| <u>Particulars</u>   | Year Ended<br>March 31,2022 | Year Ended<br>March 31,2021 |
|--|-----------------------------|-----------------------------|
| Liability Component of Redeemable Preference Share Capital | 29.93                       | 27.97                       |
| Interest on late payment of TDS                            | 0.00                        | 0.01                        |
|  | <u>29.93</u>                | <u>27.98</u>                |

## FORTUNE INDUSTRIAL RESOURCES LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

### 22 Contingent Liabilities in respect of:

Claim against the Company not acknowledge as debts :

(Amount in Lakhs)

| Particulars  | For the year ended<br>March 31, 2022 | For the year ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| In respect of Income tax matters under appeals against Income Tax Demand | -                                    | -                                    |

The Company has deposited income tax in protest for Rs. 41,57,686/- 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.

### 23 Disclosures as per Ind AS 12-Income Taxes

| (a)   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Income Tax recognised in Statement of Profit & Loss |                         |                         |
| <b>i. Current Tax expense in relation to:</b>       |                         |                         |
| Current year  | 9.34                    | 3.17                    |
| Adjustment of earlier years                         |                         | -                       |
| <b>Total Current Tax Expense (A)</b>                | <b>9.34</b>             | <b>3.17</b>             |
| <b>Deferred Tax Expense</b>                         |                         |                         |
| Origination and reversal of temporary differences   | 1.27                    | 1.99                    |
| <b>Total Deferred Tax Expense(B)</b>                | <b>1.27</b>             | <b>1.99</b>             |
| <b>Total Income Tax Expense(A+B)</b>                | <b>10.61</b>            | <b>5.16</b>             |

### (b) Reconciliation of tax expense and the accounting profit

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Accounting profit before income tax (A) | 9.90                    | -8.14                   |
| Income tax rate applicable (B)          | 26.00%                  | 26.00%                  |
| <b>Income tax expense (A*B)</b>         | <b>2.57</b>             | <b>-2.12</b>            |

### Tax effects of the items that are not deductible (taxable) while calculating taxable income :

|  |              |             |
|--|--------------|-------------|
| Others- STCG on sale of Mutual Fund  | 0            | -           |
| Others- Finance Cost on Liability component of Redeemable Preference Share | 7.78         | 7.28        |
| Others- Adjustment of earlier years  | 0.10         |             |
| <b>Total tax expenses in the Standalone Statement of Profit and Loss</b>   | <b>10.61</b> | <b>5.16</b> |

d) The Company has recognised Deferred Tax Liability on amount of Preference Share Capital & Fair Value of Investments. Movement in Deferred Tax has been shown under Note no. 13

### 24 Related Parties Disclosures

#### a) Name of Related Parties and description of relationships

| i) Key Managerial Personnel                                   | Designation  |
|---|--|
| Mr. Sanjeev Agarwal   | Director   |
| Mr. Pankaj Gupta  | Director   |
| Ms. Vicky Kumari  | Director   |
| Mr. Nishant Goyal   | Whole Time Director  |
| Ms. Bharti  | Company Secretary  |
| Mr. Umesh Kumar Gupta   | CFO  |
| ii) Enterprises over which KMP exercise significant influence | Moon Beverages Limited<br>Saptrishi Finance Limited<br>PNR Systems Private Limited |

#### b) Transactions with related parties

##### i) Key management personnel compensation (Amount in Lakhs)

| Particulars                     | 31-Mar-22   | 31-Mar-21   |
|---------------------------------|-------------|-------------|
| Short - term employee benefits* |             |             |
| Ms. Bharti                      | 1.20        | 1.20        |
| <b>Total compensation</b>       | <b>1.20</b> | <b>1.20</b> |

ii) Payment made to related parties

| Particulars                   | 31-Mar-22   | 31-Mar-21   |
|-------------------------------|-------------|-------------|
| Expenses:                     |             |             |
| <u>Directors' Sitting Fee</u> |             |             |
| Pankaj Kumar Gupta            | 0.20        | 0.24        |
| Vicky Kumari                  | 0.20        | 0.24        |
| Total (A)                     | 0.40        | 0.47        |
| <u>Advance Payment</u>        |             |             |
| Saptrishi Finance Ltd.        | -           | 9.00        |
| Moon Beverages                | -           | 13.50       |
| Total(B)                      | -           | 9.00        |
| <b>Total (A+B)</b>            | <b>0.40</b> | <b>9.47</b> |

iii) Advance received:

| Particulars            | 31-Mar-22 | 31-Mar-21   |
|------------------------|-----------|-------------|
| Moon Beverages Ltd.    | -         | -           |
| Saptrishi Finance Ltd. | -         | 8.00        |
| <b>Total</b>           | <b>-</b>  | <b>8.00</b> |

c) Balance outstanding as at the end of the year

| Particulars        | 31-Mar-22   | 31-Mar-21   |
|--------------------|-------------|-------------|
| Receivables:       |             |             |
| <b>Total</b>       | <b>-</b>    | <b>-</b>    |
| Payables:          |             |             |
| Ms. Bharti         | 0.90        | 0.30        |
| Pankaj Kumar Gupta | 0.12        | 0.19        |
| Vicky Kumari       | 0.12        | 0.19        |
| <b>Total</b>       | <b>1.13</b> | <b>0.67</b> |

\*Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.

25 Financial Instruments : Fair Value Measurement

| S.No.                             | Particulars                        | Level of Hierarchy | As at March 31,2022 |                 |                |
|-----------------------------------|------------------------------------|--------------------|---------------------|-----------------|----------------|
|                                   |                                    |                    | FVTPL               | FVTOCI          | Amortized cost |
| <b><u>Financial assets</u></b>    |                                    |                    |                     |                 |                |
| 1                                 | Investments                        |                    |                     |                 |                |
|                                   | Investment in equity instruments   | 1                  | -                   | 5,179.98        | -              |
| 2                                 | Other financial assets             | 3                  | -                   | -               | 39.59          |
| 3                                 | Cash & Cash Equivalents            | 3                  | -                   | -               | 2.02           |
| 4                                 | Trade Receivables                  | 3                  | -                   | -               | -              |
| 5                                 | Loans                              | 3                  | -                   | -               | 432.00         |
|                                   | <b>Total Financial Assets</b>      |                    | <b>-</b>            | <b>5,179.98</b> | <b>473.61</b>  |
| <b><u>Financial Liability</u></b> |                                    |                    |                     |                 |                |
| 1                                 | Trade & Other Payables             | 3                  | -                   | -               | -              |
| 2                                 | Other financial Liabilities        | 3                  | -                   | -               | 466.34         |
|                                   | <b>Total Financial Liabilities</b> |                    | <b>-</b>            | <b>-</b>        | <b>466.34</b>  |

| S.No.                             | Particulars                        | Level of Hierarchy | As at March 31,2021 |                 |                |
|-----------------------------------|------------------------------------|--------------------|---------------------|-----------------|----------------|
|                                   |                                    |                    | FVTPL               | FVTOCI          | Amortized Cost |
| <b><u>Financial assets</u></b>    |                                    |                    |                     |                 |                |
| 1                                 | Investments                        |                    |                     |                 |                |
|                                   | Investment in equity instruments   | 1                  | -                   | 4,732.25        | -              |
| 2                                 | Other financial assets             | 3                  | -                   | -               | 24.19          |
| 3                                 | Cash & Cash Equivalents            | 3                  | -                   | -               | 3.97           |
| 4                                 | Trade Receivables                  | 3                  | -                   | -               | -              |
| 5                                 | Loans                              | 3                  | -                   | -               | 415.00         |
|                                   | <b>Total Financial Assets</b>      |                    | <b>-</b>            | <b>4,732.25</b> | <b>443.16</b>  |
| <b><u>Financial Liability</u></b> |                                    |                    |                     |                 |                |
| 1                                 | Trade & Other Payables             | 3                  | -                   | -               | -              |
| 2                                 | Other financial Liabilities        | 3                  | -                   | -               | 436.47         |
|                                   | <b>Total Financial Liabilities</b> |                    | <b>-</b>            | <b>-</b>        | <b>436.47</b>  |

- a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- b) There were no transfers between Level 1 ,Level 2 and Level 3 in the period.

## 26 Disclosure as per Ind AS 33 "Earnings per Share"

| Particulars   | 31-03-2022 | 31-03-2021 |
|---|------------|------------|
| <b>Calculation of Profit/(loss) for basic/diluted EPS</b> |            |            |
| Net Profit/ (loss) attributable to equity shareholders    | -1.03      | -13.62     |
| Nominal value of equity share (Rs.)                       | 10.00      | 10.00      |
| No of shares as at end of the year                        | 10,00,000  | 10,00,000  |
| No. of weighted average equity shares                     | 10         | 10         |
| <b>Basic Earning/(Loss) per share</b>                     | -0.10      | (1.36)     |
| Number of equity shares for Dilutive EPS                  | 10,00,000  | 10,00,000  |
| <b>Dilutive Earning/(Loss) per share</b>                  | (0.10)     | (1.36)     |

## 27 Corporate Social Responsibility Expenditure as per Section 135 of the Companies Act, 2013

The company's networth and average profit is not upto the requirement under section 135 of the Companies Act, 2013 hence no provision or expenses made under CSR has been made in the current year as well as in previous year.

## 28 Details Of Dues To Micro And Small Enterprises As Defined Under The Micro, Small And Medium Enterprises Development Act, 2006 :

The company during the year has not entered into transactions with the vendors registered under the Micro, Small and Medium Enterprises Development Act, 2006. There is no need of disclosures under section 22 of the said act.

## 29 Financial Risk Management

### Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 24. The main types of risks are interest rate risk, credit risk and liquidity risk.

The Company's risk management is coordinated by its Board of Directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to, are described below:

### 1 INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk because funds are borrowed at fixed interest rates.

### 2 CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from the customers and from its financing activities, including deposit with banks and other financial instruments.

#### Credit risk management

For Bank and Financial Institutions, only high rated banks/ institutions are accepted.

For other counter parties, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties only.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The company considers reasonable and supportive forward-looking information.

The credit risk for cash and cash equivalents and other financial instruments is considered negligible and no impairment has been recorded by the Company.

#### Expected credit loss for Trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low.

Movement in the expected credit loss allowance of trade receivables are as follows:

31-Mar-22

31-Mar-21

|  |          |          |
|--|----------|----------|
| Balance at the beginning of the year             | -        | -        |
| Add: Provided during the year (net of reversal)  | -        | -        |
| Less: Amount written off/ translation adjustment | -        | -        |
| <b>Balance at the end of the year</b>            | <b>-</b> | <b>-</b> |

### 3 LIQUIDITY RISK

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments :

|                             | March 31,2021 |              |             |               |               |
|-----------------------------|---------------|--------------|-------------|---------------|---------------|
|                             | Upto 1 year   | 1 to 3 years | 3 to 5 year | Above 5 years | Total         |
| Trade payables              | -             | -            | -           | -             | -             |
| Other financial liabilities | 436.47        | -            | -           | -             | 436.47        |
| <b>Total</b>                | <b>436.47</b> | <b>-</b>     | <b>-</b>    | <b>-</b>      | <b>436.47</b> |

|                             | March 31,2022 |              |             |               |               |
|-----------------------------|---------------|--------------|-------------|---------------|---------------|
|                             | Upto 1 year   | 1 to 3 years | 3 to 5 year | Above 5 years | Total         |
| Other financial liabilities | 466.34        | -            | -           | -             | 466.34        |
| <b>Total</b>                | <b>466.34</b> | <b>-</b>     | <b>-</b>    | <b>-</b>      | <b>466.34</b> |

### 30 Capital Management

For the purposes of Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 & March 31,2021.

|                      | 31-Mar-22 | 31-Mar-21 |
|----------------------|-----------|-----------|
| Equity Share capital | 100.00    | 100.00    |
| Free Reserve*        | 2,231.05  | 2,232.08  |

\* Comprises of retained earning and general reserves.

### 31 Other Disclosures to Statement of Profit and Loss:

#### a) Outflow & inflow on Foreign Currency

|                                  | 31-Mar-22 | 31-Mar-21 |
|----------------------------------|-----------|-----------|
| Expenditures in foreign currency | NIL       | NIL       |
| Earnings in foreign currency     | NIL       | NIL       |

#### b) Payment to Auditors

|                          | 31-Mar-22   | 31-Mar-21   |
|--------------------------|-------------|-------------|
| - Audit fees             | 1.00        | 1.00        |
| - Out of Pocket Expenses | -           | -           |
| - Tax Audit              | -           | -           |
| - Other Services         | -           | -           |
| <b>Total</b>             | <b>1.00</b> | <b>1.00</b> |

**FORTUNE INDUSTRIAL RESOURCES LIMITED**

**35. Schedule to the Balance Sheet of a non -deposit taking non -banking financial company**  
(as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding  
Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Amount in Lakhs)

| Particulars                      |  | as on 31.03.2022    |                |
|----------------------------------|--|---------------------|----------------|
| <b><u>Liabilities side :</u></b> |  |                     |                |
| (1)                              | Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:  | Amount out-standing | Amount overdue |
|                                  | (a) Debentures : Secured   | NIL                 | NIL            |
|                                  | : Unsecured<br>(other than falling within the meaning of public deposits)                    | NIL                 | NIL            |
|                                  | (b) Deferred Credits   | NIL                 | NIL            |
|                                  | (c) Term Loans   | NIL                 | NIL            |
|                                  | (d) Inter-corporate loans and borrowing  | NIL                 | NIL            |
|                                  | (e) Commercial Paper   | NIL                 | NIL            |
|                                  | (f) Other Loans (advance)  | NIL                 | NIL            |
| <b><u>Assets side :</u></b>      |  |                     |                |
| Amount outstanding               |  |                     |                |
| as on 31.03.2022                 |  |                     |                |
| (2)                              | Break-up of Loans and Advances including bills receivables [other than                       |                     |                |
|                                  | (a) Secured  | NIL                 |                |
|                                  | (b) Unsecured  | 432.00              |                |
| (3)                              | Break up of Leased Assets and stock on hire and other assets counting towards AFC activities |                     |                |
|                                  | (i) Lease assets including lease rentals under sundry debtors :                              |                     |                |
|                                  | (a) Financial lease  | NIL                 |                |
|                                  | (b) Operating lease  | NIL                 |                |
|                                  | (ii) Stock on hire including hire charges under sundry debtors :                             |                     |                |
|                                  | (a) Assets on hire   | NIL                 |                |
|                                  | (b) Repossessed Assets   | NIL                 |                |
|                                  | (iii) Other loans counting towards AFC activities  |                     |                |
|                                  | (a) Loans where assets have been repossessed   | NIL                 |                |
|                                  | (b) Loans other than (a) above   | NIL                 |                |

|     |   |     |  |
|-----|---|-----|--|
| (4) | <b><u>Break-up of Investments :</u></b> |     |  |
|     | <b><u>Current Investments :</u></b>     |     |  |
|     | 1. <u>Quoted :</u>                      |     |  |
|     | (i) Shares : (a) Equity                 |     |  |
|     | (b) Preference                          | NIL |  |
|     | (ii) Debentures and Bonds               | NIL |  |
|     | (iii) Units of mutual funds             | NIL |  |
|     | (iv) Government Securities              | NIL |  |
|     | (v) Others (Please specify)             | NIL |  |
|     | 2. <u>Unquoted :</u>                    |     |  |
|     | (i) Shares : (a) Equity                 | NIL |  |
|     | (b) Preference                          | NIL |  |
|     | (ii) Debentures and Bonds               | NIL |  |
|     | (iii) Units of mutual funds             | NIL |  |
|     | (iv) Government Securities              | NIL |  |
|     | (v) Others (Please specify)             | NIL |  |
|     | <b><u>Long Term Investments :</u></b>   |     |  |
|     | 1. <u>Quoted :</u>                      |     |  |
|     | (i) Shares : (a) Equity                 | NIL |  |
|     | (b) Preference                          | NIL |  |

|                             |          |
|-----------------------------|----------|
| (ii) Debentures and Bonds   | NIL      |
| (iii) Units of mutual funds | 104.42   |
| (iv) Government Securities  | NIL      |
| (v) Others (Please specify) | NIL      |
| <b>2. Unquoted :</b>        |          |
| (i) Shares : (a) Equity     | 5,075.56 |
| (b) Preference              |          |
| (ii) Debentures and Bonds   | NIL      |
| (iii) Units of mutual funds | NIL      |
| (iv) Government Securities  | NIL      |
| (v) Others (Please specify) |          |

| <b>(5) Borrower group-wise classification of assets financed as in (2) and (3) above:</b> |   |           |        |
|---|---|-----------|--------|
| Category  | Amount net of provisions( as on 31.03.2022) |           |        |
|   | Secured                                     | Unsecured | Total  |
| <b>1. Related Parties</b>   | NIL   | NIL       | NIL    |
| (a) Subsidiaries  | NIL   | NIL       | NIL    |
| (b) Companies in the Same Group   | NIL   | NIL       | NIL    |
| (c) Other related Parties   | NIL   | 0         | 0      |
| <b>2. Other than Related Parties</b>  | NIL   | 432.00    | 432.00 |
| <b>Total</b>  | NIL   | 432.00    | 432.00 |

| <b>(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b> |  |                                |
|---|--|--------------------------------|
| Category  | Market Value / Break up or fair value or NAV | Book Value (Net of Provisions) |
| <b>1. Related Parties</b>   |  |                                |
| (a) Subsidiaries  | NIL  | NIL                            |
| (b) Companies in the same group   | NIL  | NIL                            |
| (c) Other related parties   | 3,951.63                                     | 3,803.93                       |
| <b>2. Other than related parties</b>  | 1,228.35                                     | 924.33                         |
| <b>Total</b>  | <b>5,179.98</b>                              | <b>4,728.26</b>                |

| <b>(7) Other Information</b> |  |        |
|------------------------------|--|--------|
| Particulars                  |  | Amount |
| (i)                          | Gross Non- performing Assets             |        |
| (a)                          | Related parties                          | NIL    |
| (b)                          | Other than related parties               | NIL    |
| (ii)                         | Net Non Performing Assets                |        |
| (a)                          | Related parties                          | NIL    |
| (b)                          | Other than related parties               | NIL    |
| (iii)                        | Assets acquired in satisfaction of debt. | NIL    |

As per our report of even date  
**For SGR & Associates LLP ,**  
Chartered Accountants  
**Firm Registration Number : 022767N**

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

**Sanjeev Kumar**  
(Partner)

**Nishant Goyal**  
(Whole Time Director)

**Sanjeev Agarwal**  
(Director)

**M.No :507365**

**DIN : 08153024**

**DIN:00282059**

**Bharti**  
(Company Secretary)  
**M No.A34492**

**Umesh Kumar Gupta**  
(CFO)

Place : Delhi  
Date :May 28,2022