



INDEPENDENT AUDITORS' REPORT

To
The Members of Indus Netlink Limited
Report on the audit of the Standalone financial statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s Indus Netlink Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss and notes to the financial statements and the Statement of Cash Flow, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Loss and cash flow for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting on key audit matters as per SA 701 are not applicable to the Company since it is an unlisted company.





Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Standalone financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting Process.



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Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

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. As per the information and explanations given to us, the company has no branch office. Hence, no requirement to consider report of branch auditor and dealt with it in preparing our report;
- d. The balance sheet, the statement of profit and loss, the statement of Cash flow dealt with by this report are in agreement with the books of account;
- e. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;



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- f. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. Since the Company's turnover as per latest audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide MCA notification dated June 13, 2017; and
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company

For AVR & Associates
(Chartered Accountants)
Firm Reg. No. : 022056N



Anil Varma
(Partner)
Membership No: 093374
Udin No.-20093374AAAAHZ2868

Place: New Delhi
Date: 21ST August, 2020



Annexure A to the Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

- i. According to the information and explanation given to us and from the examination of the books of accounts, the company does not have any fixed assets as on 31st March 2020.
- ii. According to the information and explanation given to us, the company does not have any inventory and hence reporting under Para 3(ii) of the order is not applicable
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of Para 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loan or advances granted in accordance with the provision of section 185 and as per section 186 of the Companies Act, 2013, the company has made investments within the limits in accordance with the provisions of the said section.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including 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 with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan or borrowings from financial institutions, banks, government, debenture holders.



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- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of Para 3 (ix) of the Order are not applicable to the Company.
- x. Based upon the audit procedures performed and the information and explanations given by the management. We report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid or provided.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Para 3 of the Order are not applicable to the Company.
- xiii. In our opinion, there are no transaction with the related parties during the year under a review and hence this clause is not applicable
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Para 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of companies Act 2013.
- xvi. According to the information and explanations given to us, we report that the Company has no legal requirement for registration under section 45-IA of the Reserve Bank of India Act, 1934.

For AVRG & Associates
(Chartered Accountants)

Firm Reg. No. : 022056N



Anil Varma
(Partner)

Membership No: 093374

Udin No.-20093374AAAHZ2868

Place: New Delhi

Date: 21ST August 2020.

INDUS NETLINK LIMITED

Reg. Off.:- 25, Bazar Lane , Bengali Market, Connaught Place, New Delhi-110001
CIN : U74899DL2000PLC105154

Balance Sheet as at 31st March, 2020

(Amount in Rs.)

S.No	Descriptions	Note No.	As at March 31, 2020	As at March 31, 2019
1	EQUITY & LIABILITIES			
I	Shareholders' Funds			
	(a) Share capital	3	4,886,500	4,886,500
	(b) Reserves and surplus	4	28,441,619	28,466,979
II	Share application money pending allotment	-	-	-
III	Non Current Liabilities			
	(a) Long term borrowings	-	-	-
	(b) Deferred tax liabilities (Net)	-	-	-
	(c) Other long term liabilities	-	-	-
	(d) Long-term provisions	-	-	-
IV	Current Liabilities			
	(a) Short term borrowings	-	-	-
	(b) Trade payables	-	-	-
	(c) Other current liabilities	5	11,000	8,850
	(d) Short term provisions	-	-	-
	Total (I)+(II)+(III)+(IV)		33,339,119	33,362,329
2	ASSETS			
V	Non-Current Asset			
	(a) Property, Plant and equipments	-	-	-
	(b) Non-current investments	6	32,986,460	32,986,460
	(c) Deferred tax assets (net)	-	-	-
	(d) Long-term loans and advances	-	-	-
	(e) Other non-current assets	-	-	-
VI	Current Assets			
	(a) Current investments	-	-	-
	(b) Inventories	-	-	-
	(c) Trade receivables	-	-	-
	(d) Cash and cash equivalents	7	51,639	74,849
	(e) Short-term loan and advances	-	-	-
	(f) Other current assets	8	301,020	301,020
	Total (V)+(VI)		33,339,119	33,362,329
Summary of significant accounting policies		1&2		
The notes are an integral part of the Financial Statements				

This is the Balance Sheet referred to in our report of even date

For AVR & Associates
Chartered Accountants
(Firm Reg. No. 022056M)

For and on Behalf of the Board of Directors
Indus Netlink Limited

Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHZ2868

Prince Goyal
Director
DIN-00954215

Shilendra Singh Chauhan
Director
DIN-07545559

Place : New Delhi
Dated : 21st August, 2020

INDUS NETLINK LIMITED

Reg. Off.:- 25, Bazar Lane , Bengali Market, Connaught Place, New Delhi-110001

CIN : U74899DL2000PLC105154

Statement of Profit & Loss for the year ended 31st March, 2020

(Amount in Rs.)

S.No	Particulars	Note No	As at March 31, 2020	As at March 31, 2019
I	Revenue			
	Revenue from operations	-	-	-
	Other income	-	-	-
Total (I)			-	-
II	Expenses			
	Employee Benefit Expenses	-	-	-
	Other Expenses	9	25,360	17,205
Total (II)			25,360	17,205
III	Profit before Exceptional and Extraordinary Items and Tax (I - II)		(25,360)	(17,205)
IV	Exceptional Items		-	-
V	Profit before Extraordinary Items and Tax (III - IV)		(25,360)	(17,205)
VI	Extraordinary Items		-	-
VII	Profit before Tax (V - VI)		(25,360)	(17,205)
VIII	Tax Expenses: Current Tax		-	-
IX	Profit / (Loss) for the Period (VII - VIII)		(25,360)	(17,205)
	Earning Per Equity Share Basic		(0.05)	(0.04)

The notes are an integral part of the Financial Statements

This is the Profit & Loss referred to in our report of even date

For AVRG & Associates

Chartered Accountants

(Firm Reg. No. 022056N)

Anil Varma
Partner

Membership No.: 093374

UDIN: 20093374AAAAHZ2868

For and on Behalf of the Board of Directors

Indus Netlink Limited

Prince Goyal
Director
DIN-00954215

Shilendra Singh Chauhan
Director
DIN-07545559

Place : New Delhi

Dated : 21st August, 2020

INDUS NETLINK LIMITED

Reg. Off.:- 25, Bazar Lane , Bengali Market, Connaught Place, New Delhi-110001
CIN : U74899DL2000PLC105154

Cash Flow Statement for the year ended 31st March, 2020

(Amount in Rs.)

PARTICULARS		As at March 31, 2020	As at March 31, 2019
A.	Cash Flow From Operating Activities		
	Net Profit Before Taxation	(25,360)	(17,205)
	Adjustments for :		
	Add:Mat credit Entitlement	-	-
	Add: Provision for Non-Performing Assets/Standard assets/Other losses	-	-
	Add: Depreciation on Assets	-	-
	Operating profits before Working Capital Changes	(25,360)	(17,205)
	Adjusted For:		
	(Increase) / Decrease in Trade receivables	-	-
	Increase / (Decrease) in Trade payables	-	-
	(Increase) / Decrease in Inventories	-	-
	Increase / (Decrease) in Other Current Liabilities	2,150	(1,91,141)
	(Increase) / Decrease in Long Term Loans & Advances	-	-
	(Increase) / Decrease in Other Current Assets	-	-
	(Increase) / Decrease in short term provision	-	(21,020)
	Cash Generated From Operations	(23,210)	(2,29,366)
	Less: Tax paid	-	-
	Net Cash From Operating Activities(A)	(23,210)	(2,29,366)
B.	Cash Flow From Investing Activities		
	(Purchase)/ Sale of Fixed Assets	-	-
	Net Cash From Investing Activities(B)	-	-
C.	Cash Flow From Financing Activities		
	Increase in / (Repayment) of Short term Borrowings	-	-
	Increase in / (Repayment) of Long term borrowings	-	-
	Increase / (Decrease) in share capital	-	-
	Increase in Securities Premium	-	-
	Net Cash From Financing Activities(C)	-	-
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	(23,210)	(2,29,366)
	Cash & Cash Equivalents at Beginning of the year	74,849	3,04,215
	Cash & Cash Equivalents at end of the year	51,639	74,849

As per our report of even date attached

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHZ2868

Place : New Delhi
Dated : 21st August, 2020

For and on Behalf of the Board of Directors
Indus Netlink Limited


Prince Goyal
Director
DIN-00954215

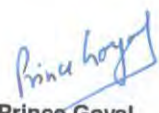

Shilendra Singh Chauhan
Director
DIN-07545559

- 1 **Company Information**
Indus Netlink Limited ('The Company') is incorporated in India on 10th April, 2000 and has its registered office situated at 25, Bazar Lane, Bengali Market, Connaught Place, New Delhi - 110001 India. The Company is carrying on the business of developing software and all related activities and to provide internet services, etc.
- 2 **Significant Accounting Policies**
- 2.1 **Basis for preparation of Financial Statements**
These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- 2.2 **Use of Estimates**
The preparation of financial statements is in conformity with general accepted accounting principles which requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Actual results could differ from those estimates.
- 2.3 **Earnings per share**
The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period.
- 2.4 **Recognition of Revenue and Expenses**
Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefits will flow to the company. All Expenses are provided on accrual basis unless stated otherwise.
- 2.5 **Provisions & Contingencies**
A provision is recognized when the company has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Contingent Liabilities and Contingent Assets are neither recognized nor disclosed in the financial statements.
- 2.6 **Cash and Cash Equivalents**
Cash and cash equivalents comprise cash and cash on deposit with banks.
- 2.7 **Current / Non-current classification of assets /liabilities**
The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non current.

For AVR & Associates
Chartered Accountants
(Firm Reg. No. 022056N)

For and on Behalf of the Board of Directors
Indus Netlink Limited


Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHZ2868


Prince Goyal
Director
DIN-00954215


Shilendra Singh Chauhan
Director
DIN-07545559

Place : New Delhi
Dated : 21st August, 2020

3 SHARE CAPITAL

3.1 Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised 5,00,000 Equity shares of Rs. 10/- each	50,00,000	50,00,000
Issued, Subscribed and Paid up: 4,88,650 equity shares of Rs.10/- each	48,86,500	48,86,500
Total	48,86,500	48,86,500

3.2 Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 The reconciliation of the number of shares outstanding and the amount of share capital as at 31st March, 2020 and 31st March, 2019 is set out below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Equity Shares		Equity Shares	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	4,88,650	48,86,500	4,88,650	48,86,500
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	4,88,650	48,86,500	4,88,650	48,86,500

3.4 Disclosure as to the shareholders holding more than 5 percent shares

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of Holdings	No. of Shares	% of Holdings
Jasgold Offshore Services Private Limited	40,000	8.19	40,000	8.19
RPG Securities and Financial Services Limited	88,250	18.06	88,250	18.06
PNR Systems Private Limited	96,300	19.71	96,300	19.71
Swastik Calltech Private Limited	90,600	18.54	90,600	18.54
Competent Infoways Private Limited	54,800	11.21	54,800	11.21
Passion IT Solutions Private Limited	30,000	6.14	30,000	6.14
Total	3,99,950	81.85	3,99,950	81.85

For AVRG & Associates

Chartered Accountants

(Firm Reg. No. 022056N)

Anil Varma

Partner

Membership No.: 093374

UDIN: 20093374AAAAHZ2868

Place : New Delhi

Dated : 21st August, 2020

For and on Behalf of the Board of Directors

Indus Netlink Limited

Prince Goyal

Director

DIN-00954215

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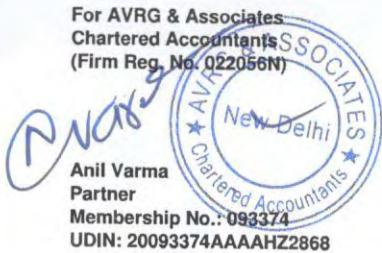
Director

DIN-07545559

(Amount in Rs.)

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019
4	Reserves & Surplus		
	Security Premium Account		
	At the beginning of Accounting Period	2,86,30,500	2,86,30,500
	Addition during the year	-	-
	At the end of Accounting Period (I)	2,86,30,500	2,86,30,500
	Profit & Loss Account		
	At the beginning of Accounting Period	(1,63,522)	(1,46,317)
	Addition during the year	(25,360)	(17,205)
	(Balance in Statement of Profit & Loss A/c)		
	At the end of Accounting Period (II)	(1,88,882)	(1,63,522)
	Total(I+II)	2,84,41,619	2,84,66,979
5	Other Current Liabilities		
	Other Payables		
	Expenses Payable	11,000	8,850
	Total	11,000	8,850

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHZ2868

For and on Behalf of the Board of Directors
Indus Netlink Limited


Prince Goyal
Director
DIN-00954215


Shilendra Singh Chauhan
Director
DIN-07545559

Place : New Delhi
Dated : 21st August, 2020



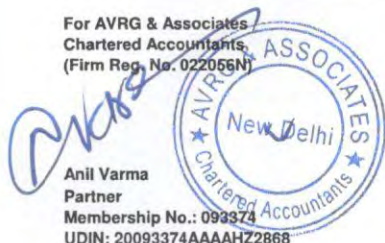
Notes to the Accounts
For the year ended on 31st March, 2020

Indus Netlink Limited
CIN:U74899DL2000PLC105154

(Amount in Rs.)

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019
6	Non Current Investments (Unquoted Equity Shares)		
	Empire Fincap Pvt Ltd. (6473 Eq. Shares, P.Y. 6473 Eq. Shares)	1,29,460	1,29,460
	Metbrass Plassim India Ltd (22500 Eq. Shares, P.Y. 22500 Eq. Shares)	4,50,000	4,50,000
	RPG Securities and Financial Services Ltd (66833 Eq. Shares, P.Y. 66833 Eq. Shares)	12,70,540	12,70,540
	RPL Capital Finance Ltd. (473949 Eq. Shares, P.Y. 473949 Eq. Shares)	1,85,35,460	1,85,35,460
	Shantnu Farms Pvt Ltd. (17000 Eq. Shares, P.Y. 17000 Eq. Shares)	17,00,000	17,00,000
	Sunvision Properties Pvt Ltd. (33000 Eq. Shares, P.Y. 33000 Eq. Shares)	3,30,000	3,30,000
	Superior Calltech Pvt Ltd (3000 Eq. Shares, P.Y. 3000 Eq. Shares)	3,00,000	3,00,000
	Versatile Datamatics Pvt Ltd. (10900 Eq. Shares, P.Y. 10900 Eq. Shares)	51,21,000	51,21,000
	Sunstar Infra Developers Pvt Ltd.(53250 Eq. Shares, P.Y. 53250 Eq. Shares)	51,50,000	51,50,000
	Total	3,29,86,460	3,29,86,460
7	Cash & Cash Equivalents		
	Balance with Banks	16,231	16,231
	Cash in Hand	35,408	58,618
	Total	51,639	74,849
8	Other Current Assets		
	Others		
	MAT Credit	21,020	21,020
	Other Current Assets		
	Savair Energy Limited	1,75,200	1,75,200
	HAL Offshore Limited	1,04,800	1,04,800
	Total	3,01,020	3,01,020
9	Other Expenses		
	Audit Fees	11,000	8,850
	Filing Fees & taxes	7,140	1,000
	Legal & Professional	1,500	1,500
	Bank Charges	-	3,540
	Misc Expenses	5,720	2,315
	Total	25,360	17,205

For AVR & Associates
Chartered Accountants
(Firm Reg. No. 022066N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHZ2868

Place : New Delhi
Dated : 21st August, 2020

For and on Behalf of the Board of Directors
Indus Netlink Limited

Prince Goyal
Director
DIN-00954215

Shilendra Singh Chauhan
Director
DIN-07545559

Notes to the Accounts
For year ended on 31st March,2020

Indus Netlink Limited
CIN:U74899DL2000PLC105154

Note No.	Other Disclosures	As at March 31, 2020	As at March 31, 2019
10	Contingent Liabilities	NIL	NIL
11	Auditor's Remuneration		
	Statutory Audit	11,000	8,850
12	Earning Per Share		
	Particulars	As at March 31, 2020	As at March 31, 2019
	Net Profit/(Loss) after tax (in Rs)	(25,360)	(17,205)
	Weighted Average No. of Equity Shares	4,88,650	4,88,650
	Earning Per Share (in Rs)	(0.05)	(0.04)
	Nominal Value per equity share (in Rs)	10	10
13	Amount due to Micro, Small and Medium Enterprises: There are no Micro and Small Scale Business Enterprises to whom the company overdues, which are outstanding for more than 45 days as at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Therefore, the prescribed disclosures for liability of interest on overdue payment have not been given.		
14	In the opinion of the management of the company, the current assets and loans & advances have realization value in the ordinary course of business at least equal to the figures stated in the balance sheet and provisions for all the known liabilities have been made.		
15	Previous year figures Figures of the previous year have been regrouped /reclassified wherever considered necessary to conform to current year classification.		
16	Segment Reporting As the company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosures prescribed by Accounting Standard 17 are not applicable.		
17	Related Party Disclosure There are no related party transactions in the company. Hence the company doesn't require any disclosure as prescribed by Accounting Standard 18.		

For AVRG & Associates

Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHZ2868

Place : New Delhi
Dated : 21st August, 2020

For and on Behalf of the Board of Directors

Indus Netlink Limited

Prince Goyal
Director
DIN-00954215

Shilendra Singh Chauhan
Director
DIN-07545559

Handwritten mark or signature in the bottom right corner.



INDEPENDENT AUDITORS' REPORT

To,
The Members of Castle Rock Advisors Private Limited
Report on the audit of the Standalone financial statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s Castle Rock Advisors Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, the Statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its profit for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting on key audit matters as per SA 701 are not applicable to the Company since it is an unlisted company.



Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Standalone financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting Process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.



Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The provisions of the **Companies (Auditor's Report) Order, 2016** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 are not applicable to the Company

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. As per the information and explanations given to us, the company has no branch office. Hence, no requirement to consider report of branch auditor and dealt with it in preparing our report;
- d. The balance sheet, the statement of profit and loss, dealt with by this report are in agreement with the books of account;
- e. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;
- f. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. Since the Company's turnover as per latest audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide MCA notification dated June 13, 2017; and



- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

For AVRG & Associates
(Chartered Accountants)
Firm Reg. No.: 0220561




Anil Varma
(Partner)
Membership No: 093374

Place: New Delhi
Date: 31st July, 2020
UDIN: 20093374AAAAHK7472

CASTLE ROCK ADVISORS PRIVATE LIMITED
 Regd Off : H.No 181,Block-D, Pkt-17,Sector-03, Rohini, New Delhi-110085
 CIN-U70109DL2007PTC162148

Balance Sheet as at 31st March, 2020

(Amount in Rs.)

S.No	Descriptions	Note No.	As at March 31, 2020	As at March 31, 2019
I	EQUITIES & LIABILITIES			
(1)	Shareholder's Funds			
	(a) Share Capital	3	7,77,000	7,77,000
	(b) Reserve & Surplus	4	502,02,102	501,52,952
(2)	Share Application Money Pending Allotment			-
(3)	Non Current Liabilities			
	(a) Long Term Borrowings	-	-	-
	(b) Other Long Term Liabilities	-	-	-
(4)	Current Liabilities			
	(a) Short Term Borrowings	-	-	-
	(b) Trade Payables	-	-	-
	(c) Other Current Liabilities	5	10,000	11,800
	(d) Short Term Provisions	6	801	-
	Total (1)+(2)+(3)+(4)		509,89,903	509,41,752
II	ASSETS			
(1)	Non Current Assets			
	(a) Non Current Investments	7	501,74,000	501,74,000
	(b) Long Term Loans & Advances	-	-	-
	(c) Other Non-Current Assets	-	-	-
(2)	Current Assets			
	(b) Trade Receivables	8	5,57,568	3,80,000
	(c) Cash & Cash Balances	9	1,95,010	3,38,823
	(d) Short-Term Loans & Advances	-	-	-
	(e) Other Current Assets	10	63,325	48,929
	Total (1)+(2)		509,89,903	509,41,752

Summary of significant accounting policies

1&2

The notes are an integral part of the Financial Statements

This is the Balance Sheet referred to in our report of even date
 Auditor's Report Signed in Terms of our Separate Report of Even Date


For AVRG & Associates
 Chartered Accountants
 (Firm Reg. No. 022056N)


 Anil Varma
 Partner
 Membership No.: 093374



For and on Behalf of the Board of Directors
 Castle Rock Advisors Private Limited


 Madhu Bhandula
 Director
 DIN : 07599092


 Satya Pal Bhandula
 Director
 DIN : 05100519

Place : New Delhi
 Dated : 31st July 2020
 UDIN: 20093374AAAAHK7472

CASTLE ROCK ADVISORS PRIVATE LIMITED
 Regd Off : H.No 181,Block-D, Pkt-17,Sector-03, Rohini, New Delhi-110085
 CIN-U70109DL2007PTC162148

Statement of Profit & Loss for the period ended 31st March, 2020

(Amount in Rs.)

S.No	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I	Revenue			
	Revenue from Operations	11	5,89,681	
	Total (I)		5,89,681	
II	Administrative Expenses			
	Employee Benefit expenses	12	3,00,451	32,000
	Other Expenses	13	2,39,278	15,724
	Total (II)		5,39,729	47,724
III	Profit before Exceptional and Extraordinary Items and Tax (I - II)		49,952	(47,724)
IV	Exceptional Items			
V	Profit before Extraordinary Items and Tax (III - IV)		49,952	(47,724)
VI	Extraordinary Items		-	
VII	Profit before Tax (V - VI)		49,952	(47,724)
VIII	Current Tax		801	
	Profit (Loss) for the Period (VII - VIII)		49,151	(47,724)
	Earning Per Equity Share			
	Basic		0.63	(0.61)

The notes are an integral part of the Financial Statements

This is the Profit & Loss A/c referred to in our report of even date

For AVRG & Associates
 Chartered Accountants
 (Firm Reg. No. 022056N)

Anil Varma
 Partner
 Membership No.: 093374



For and on Behalf of the Board of Directors
 Castle Rock Advisors Private Limited

Madhu
 Madhu Bhandula
 Director
 DIN : 07599092

Satya Pal Bhandula
 Director
 DIN : 05100519

Place : New Delhi
 Dated : 31st July 2020
 UDIN: 20093374AAAAHK7472

Company Information

Castle Rock Advisors Private Limited ('The Company') is incorporated in India on 17th April, 2007 and its registered office is situated at House No, 181, Block-D, Pkt-17, Sector-03, Rohini, New Delhi-110085. The company is carrying the business of investment advisory services for all present and prospective field.

2 Significant Accounting Policies

2.1 Basis for preparation of Financial Statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of Estimates

The preparation of financial statements is in conformity with general accepted accounting principles which requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Actual results could differ from those estimates.

2.3 Earnings per share

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period.

2.4 Recognition of Revenue and Expenses

Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefits will flow to the company. All Expenses are provided on accrual basis unless stated otherwise.

2.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks.

For AVR & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374

For and on Behalf of the Board of Directors
Castle Rock Advisors Private Limited

Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July 2020
UDIN: 20093374AAAAHK7472

Notes to and forming Part of Balance Sheet as at 31st March, 2020

(Amount in Rs.)

Note No.	Particulars	As at 31st March 2020		As at 31st March 2019	
		No. of Shares	Amount	No. of Shares	Amount
3	Share Capital:				
	<u>Authorised:</u>				
	Equity shares of Rs. 10/- each	80,000	8,00,000	80,000	8,00,000
	<u>Issued, Subscribed and Paid up:</u>				
	Equity Shares at the beginning of Accounting Period	77,700	7,77,000	77,700	7,77,000
	Addition during the year	-	-	-	-
	Equity Shares at the beginning of Accounting Period	77,700	7,77,000	77,700	7,77,000
3.1	Terms/Rights attached to Equity Shares The company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.				
3.2	Shareholders holding more than 5% shares in the company along with number of shares.				
	Name of the Share Holder	As at 31.03.2020		As at 31.03.2019	
		No. of Shares	% of Holdings	No. of Shares	% of Holdings
	Siddharth Singhal	13,750	17.696	13,750	17.696
	Satya Pal Bhandula	50,300	64.736	50,300	64.736
	Madhu Bhandula	13,650	17.568	13,650	17.568
	Total	77,700	100.000	77,700	100.000

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374

For and on Behalf of the Board of Directors
Castle Rock Advisors Private Limited

Madhu
Madhu Bhandula
Director
DIN : 07599092

S P Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July 2020
UDIN: 20093374AAAAHK7472

(Amount in Rs.)

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019
4	Reserve & Surplus		
	<u>Security Premium Account</u>		
	At the beginning of Accounting Period	500,98,000	500,98,000
	Addition during the year		
	At the end of Accounting Period	500,98,000	500,98,000
	<u>Profit & Loss Account</u>		
	At the beginning of Accounting Period	54,952	1,02,676
	Addition during the year	49,151	(47,724)
	(Balance in statement of Profit & Loss A/c)		
	At the end of Accounting Period	1,04,102	54,952
	Total	502,02,102	501,52,952
5	Other Current Liabilities		
	Expenses Payable	10,000	11,800
	Total	10,000	11,800
6	Short Term Provisions		
	Provision For Income Tax	801	-
	Total	801	-
7	Non Current Investment		
	<u>In Equity Instruments</u>		
	Others (Unquoted)	501,74,000	501,74,000
	Total	501,74,000	501,74,000
8	Trade Receivables		
	(Unsecured considered good unless otherwise stated)		
	Outstanding for a period exceeding six months	-	-
	Others	5,57,568	3,80,000
	Total	5,57,568	3,80,000

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374

For and on Behalf of the Board of Directors
Castle Rock Advisors Private Limited

Madhu
Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July 2020
UDIN: 20093374AAAAHK7472

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9	Cash & Bank Balances		
	Balance With Banks		49,954
	HDFC Bank Limited	19,986	
	Cash In Hand	1,75,024	2,88,869
	Total	1,95,010	3,38,823
10	Other Current Assets		
	TDS Receivable	29,325	
	Income Tax Refund	-	48,929
	Security Deposit	34,000	
	Total	63,325	48,929
11	Revenue from Operation		
	Professional Receipts	5,86,500	
	Interest on Income tax Refund	3,181	
	Total	5,89,681	
12	Employee Benefit Expenses		
	Salary To Staff	2,95,185	32,000
	Staff welfare Expenses	5,266	
	Total	3,00,451	32,000
13	Other Expenses		
	Accounting Charges	15,000	
	Audit Fees	10,000	11,800
	Business Promotion Expenses	18,655	-
	Bank Charges	708	3,924
	ROC Filling Fees	2,800	
	Festival Celebration Expenses	22,600	
	Office Expenses	23,889	
	Conveyance Expenses	51,819	
	Miscellaneous Expenses	32,911	
	Professional Charges	22,893	
	Printing & Stationery Expenses	19,648	
	Telephone Expenses	18,355	
	Total	2,39,278	15,724

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)

For and on Behalf of the Board of Directors
Castle Rock Advisors Private Limited

Anil Varma
Partner
Membership No.: 093374

Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July 2020
UDIN: 20093374AAAAHK7472

<u>Other Disclosures</u>		As at March 31, 2020	As at March 31, 2019
14 (a)	<u>Contingent Liabilities</u>		
14 (b)	<u>Capital Commitments</u>		
14(c)	<u>Other Commitments</u>		
15	<u>Details of Remuneration to Auditor</u>		
(a)	As Statutory Auditor	10,000	11,800
(b)	For Other Services		
(c)	Out of Pocket Expenses		
16	Expenditure in Foreign Currency	-	
17	<u>Earning Per Share</u>		
	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Net Profit/(Loss) after tax (in Rs)	49,151	(47,724)
	Weighted Average No. of Equity Shares	77,700	77,700
	Earning Per Share (in Rs)	0.63	(0.61)
	Nominal Value per equity share (in Rs)	10/-	10/-
18	<u>Amount due to Micro, Small and medium Enterprises:</u> There are no Micro and Small Scale Business Enterprises to whom the company overdues, which are outstanding for more than 45 days as at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Therefore, the prescribed disclosures for liability of interest on overdue payment have not been given.		
19	In the opinion of the management of the company, the current assets and loans & advances have realization value in the ordinary course of business at least equal to the figures stated in the balance sheet and provisions for all the known liabilities have been made.		
20	<u>Segment Reporting</u> As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosures prescribed by Accounting Standard 17 are not applicable.		
21	<u>Related Party Disclosure</u> There are no related party transactions in the company. Hence the company doesn't require any disclosure as prescribed by Accounting Standard 18.		
22	<u>Previous year figures</u> Figures of the previous year have been regrouped /reclassified wherever considered necessary to conform to current year classification.		

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374

For and on Behalf of the Board of Directors
Castle Rock Advisors Private Limited

Madhu

Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula

Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July 2020
UDIN: 20093374AAAAHK7472

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Annexure "A" For Note No. 5
Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Expenses Payable		
Audit Fees Payable	10,000	11,800
Total	10,000	11,800

Annexure "B" For Note No.7
Non Current Investment

Particulars	As at March 31, 2020	As at March 31, 2019
Others (Unquoted)		
Sunstar Infra Developers Private Limited) (38,680, Shares (Previous Year 38,680 Shares)	38,68,000	38,68,000
Moon Beverages Limited (37,500 Shares (Previous Year 37,500 Shares)	2,25,00,000	2,25,00,000
Indian Duro Build Private Limited (78500, Shares (Previous Year 78,500 Shares)	78,50,000	78,50,000
HAL Offshore Limited (1,57,060, Shares (Previous Year 1,57,060 Shares)	1,59,56,000	1,59,56,000
Total	5,01,74,000	5,01,74,000

Annexure "C" For Note No. 8
Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables		
Aks Credits Limited	5,57,175	
OJ Financial Services Private Limited	393	
K2 Infosolutions Private Limited		3,80,000
Total	5,57,568	3,80,000

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)

For and on Behalf of the Board of Directors
Castle Rock Advisors Private Limited

Anil Varma
Partner
Membership No.: 093374

Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July 2020
UDIN: 20093374AAAAHK7472



Madhu

Satya Pal Bhandula

ha

Name of Assessee	Castle Rock Advisors Private Limited		
Address	H.NO 181, BLOCK-D, PKT-17,,SECTOR-03 ROHINI, NEW DELHI,ROHINI,New Delhi,DELHI,110085		
E-Mail	varun.katyal@apac.in		
Status	Company(Domestic)	Assessment Year	2020-2021
Ward	WARD 5(3), DELHI ()	Year Ended	31.3.2020
PAN	AADCC0982B	Incorporation Date	17/04/2007
Residential Status	Resident		
Particular of Business	Service		
Nature of Business	OTHER SERVICES-Other services n.e.c.(21008)		
Method of Accounting	Mercantile		
A.O. Code	DEL-W-033-03		
Filing Status	Original		
Bank Name	HDFC Bank Ltd, Ashoka Park Main New Delhi ,MICR:110240423, A/C NO:50200012743168 ,Type: Current ,IFSC: HDFC0004191		
Tele:	Mob:9990172927		

Computation of Total Income [As per Section 115BAA (Tax @22%)]

Income from Business or Profession (Chapter IV D)

Profit as per Profit and Loss a/c	48152
Total	48152
<u>Less:</u>	
	<u>3181</u>
	3181
	44971
Brought Forward Business Loss Set off	-44971
	<u>3179</u>

Income from Other Sources (Chapter IV F)

3179

Interest From IT Refund	3179
	<u>3179</u>

Gross Total Income

3179

Total Income

3179

Round off u/s 288 A

3180

MAT Provisions not apply on company due to applicability of section 115BAA

Tax Due @ 22% (Company applicable for Sec 115BAA)	700
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Surcharge @10%	70
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770

Health & Education Cess (HEC) @ 4.00%	31
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801

T.D.S.	29325
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-28524

Refundable (Round off u/s 288B)	28520
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T.D.S./ T.C.S. From

Non-Salary(as per Annexure) 29325
Due Date for filing of Return September 30, 2020
Due date extended to 30/11/2020 35/2020/F.No. 370142/23/2020-TPL DT. 24.06.2020

Comparison of Income if Company does not Opt for Section 115BAA/115BAB (Tax @25%)

1.Total income as per Section 115BAA/115BAB		3179
2. Adjustments according to section 115BAA/115BAB		
(i) Deduction under Ch VIA as per Provisions of Section 115BAA/115BAB	0	
Gross Total Income as per Section 115BAA/115BAB		3179
(ii) Allowed Deductions (which were disallowed under section 115BAA / 115BAB)		
No Deduction exists		
(iii) Allowed Brought Forward Loss (which were disallowed under section 115BAA / 115BAB)		
NA	0	0
3. Gross Total Income (1-2)		3179
Deduction under Chapter VIA		0
Total Income after Adjustments under section 115BAA/115BAB		3179

Statement of Business losses Brought/Carried Forward

Assessment Year	Brought Forward	Disallowed as per 115BAA/115BAB	Set off	Carried Forward
2019-2020(22/09/2019)	47724	0	44971	2753
Total	47724	0	44971	2753

Details of T.D.S. on Non-Salary(26 AS Import Date:20 Jul 2020)

S.No	Name of the Deductor	Tax deduction A/C No. of the deductor	Total Tax deducted	Amount out of (4) claimed for this year
	A K S CREDITS LIMITED	DELA12494G	29325	29325
	TOTAL		29325	29325

Head wise Summary on Income and TDS thereon

Head	Section	Amount Paid/Credited As per 26AS	As per Computation	Location of Income for Comparison	TDS
Business	194H	586500			29325

Bank Account Detail

S. No.	Bank	Address	Account No	MICR NO	IFSC Code	Type
1	HDFC Bank Ltd	Ashoka Park Main New Delhi	50200012743168	110240423	HDFC0004191	Current(Primary)


Signature

(Satya Pal Bhandula)

For Castle Rock Advisors Private Limited



INDEPENDENT AUDITORS' REPORT

To
The Members of K2 Infosolutions Private Limited
Report on the audit of the Standalone financial statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s K2 Infosolutions Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020 and the Statement of Profit and Loss for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its loss for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting on key audit matters as per SA 701 are not applicable to the Company since it is an unlisted company.



Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Standalone financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The provisions of the **Companies (Auditor's Report) Order, 2016** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 are not applicable to the Company

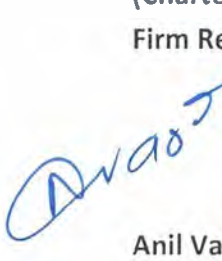

As required by Section 143(3) of the Act, we report that:

- 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. As per the information and explanations given to us, the company has no branch office. Hence, no requirement to consider report of branch auditor and dealt with it in preparing our report;
- d. The balance sheet, the statement of profit and loss, dealt with by this report are in agreement with the books of account;
- e. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;
- f. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;



- g. Since the Company's turnover as per latest audited financial statements is less than Rs. 50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide MCA notification dated June 13, 2017; and
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There was no amount, required to be transferred, to the Investor Education and Protection Fund by the Company, hence not applicable.

For AVRG & Associates
(Chartered Accountants)
Firm Reg. No.: 022056N

Anil Varma
(Partner)
Membership No: 093374

Place: New Delhi
Date: 31st July, 2020
UDIN: 20093374AAAAHJ8553

K2 Infosolutions Private Limited

Regd Off : House No. 181, Block-D, Pkt-17 Sector-03, Rohini, New Delhi - 110085
CIN-U72900DL2011PTC226907

Balance Sheet as at 31st March, 2020

(Amount in Rs.)

S.No	Descriptions	Note No.	As at March 31, 2020	As at March 31, 2019
I	EQUITIES & LIABILITIES			
(1)	<u>Shareholder's Funds</u>			
	(a) Share Capital	3	8,00,500	8,00,500
	(b) Reserve & Surplus	4	5,18,75,800	5,18,45,946
(2)	Share Application Money Pending Allotment			
(3)	<u>Non Current Liabilities</u>			
	(a) Long Term Borrowings	5		1,18,80,000
	(b) Other Long-Term Liabilities			-
(4)	<u>Current Liabilities</u>			
	(a) Short-Term Borrowings			
	(b) Trade Payables			
	(c) Other Current Liabilities	6	10,000	11,800
	(d) Short Term Provisions	7	3,891	
Total (1)+(2)+(3)+(4)			5,26,90,191	6,45,38,246
II	ASSETS			
(1)	<u>Non Current Assets</u>			
	(a) Non Current Investments	8	5,13,16,750	5,13,16,750
	(b) Long Term Loans & Advances	9		1,24,54,110
	(c) Other Non-Current Assets	10		6,236
(2)	<u>Current Assets</u>			
	(a) Current Investments			
	(b) Trade Receivables	11	5,67,625	
	(c) Cash & Bank Balances	12	7,75,597	7,27,980
	(d) Short-Term Loans & Advances	-	-	-
	(e) Other Current Assets	13	30,219	33,170
Total (1)+(2)			5,26,90,191	6,45,38,246
Summary of significant accounting policies		1&2		
The notes are an integral part of the Financial Statements				

This is the Balance Sheet referred to in our report of even date
Auditor's Report Signed in terms of our Separate Report of Even Date

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056M)

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited

Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHJ8553



Madhu
Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July, 2020

K2 Infosolutions Private Limited

Regd Off : House No. 181, Block-D, Pkt-17 Sector-03, Rohini, New Delhi - 110085

CIN-U72900DL2011PTC226907

Statement of Profit & Loss for the period ended 31st March, 2020

(Amount in Rs.)

S.No	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I	Revenue			
	Revenue from Operations	14		
	Other Income	15	5,99,650	
Total (I)			5,99,650	
II	Administrative Expenses			
	Employee Benefit Expenses	16	1,69,981	
	Other Expenses	17	3,95,924	18,292
Total (II)			5,65,905	18,292
III	Profit before Exceptional and Extraordinary Items and Tax (I - II)		33,745	(18,292)
IV	Exceptional Items			
V	Profit before Extraordinary Items and Tax (III - IV)		33,745	(18,292)
VI	Extraordinary Items			
VII	Profit before Tax (V - VI)		33,745	(18,292)
VIII	Current Tax		3,891	
Profit (Loss) for the Period (VII - VIII)			29,854	(18,292)
Earning Per Equity Share				
Basic			0.37	(0.23)

The notes are an integral part of the Financial Statements

This is the Profit & Loss A/c referred to in our report of even date

For AVR & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHJ8553

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited

Madhu
Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July, 2020

1 **Company Information**

K2 Infosolutions Private Limited ('The Company') is incorporated in India on 1st November, 2011 and its registered office is situated at House No. 181, Block-D, Pkt-17 Sector-03, Rohini, New Delhi - 110085. The company is carrying on the business of design, develop, assemble, buy, sell, distribute, import, export, alter, remodel, lease, install, repair, service, provide consulting and otherwise to deal in all classes and types of telecommunication, computing and related services.

2 **Significant Accounting Policies**

2.1 **Basis for preparation of Financial Statements**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 **Use of Estimates**

The preparation of financial statements is in conformity with general accepted accounting principles which requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Actual results could differ from those estimates.

2.3 **Earnings per share**

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period.

2.4 **Recognition of Revenue and Expenses**

Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefits will flow to the company. All Expenses are provided on accrual basis unless stated otherwise.

2.5 **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and cash on deposit with banks.

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited


Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHJ8553




Madhu Bhandula
Director
DIN : 07599092


Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July, 2020

Notes to and forming Part of Balance Sheet as at 31st March, 2020

(Amount in Rs.)

Note No.	Particulars	As at 31st March 2020		As at 31st March 2019	
		No. of Shares	Amount	No. of Shares	Amount
3	Share Capital:				
	Authorised: Equity shares of Rs. 10/- each	85,000	8,50,000	85,000	8,50,000
	<u>Issued, Subscribed and Paid up:</u> Equity Shares at the beginning of Accounting Period	80,050	8,00,500	80,050	8,00,500
	Addition during the year	-	-	-	-
	Equity Shares at the end of Accounting Period	80,050	8,00,500	80,050	8,00,500
3.1	Terms/Rights attached to Equity Shares The company had only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.				
3.2	Shareholders holding more than 5% shares in the company along with number of shares.				
	Name of the Share Holder	As at 31.03.2020		As at 31.03.2019	
		No. of Shares	% of Holdings	No. of Shares	% of Holdings
	Siddharth Singhal	13,650	17.05	13,650	17.05
	Satya Pal Bhandula	49,265	61.54	49,265	61.54
	Madhu Bhandula	17,135	21.41	17,135	21.41
	Total	80,050	100.00	80,050	100.00

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHJ8553

Place : New Delhi
Dated : 31st July, 2020

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited

Madhu
Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

(Amount in Rs.)

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019
4	Reserve & Surplus		
	<u>Security Premium Account</u>		
	At the beginning of Accounting Period	5,18,37,000	5,18,37,000
	Addition during the year	-	-
	At the end of Accounting Period	5,18,37,000	5,18,37,000
	<u>Profit & Loss Account</u>		
	At the beginning of Accounting Period	8,946	27,238
	Addition during the year (Balance in statement of Profit & Loss A/c)	29,725	(18,292)
	At the end of Accounting Period	38,671	8,946
	Total	5,18,75,671	5,18,45,946
5	Long Term Borrowings		
	Unsecured Loans Considered Good	-	1,18,80,000
	Total	-	1,18,80,000
6	Other Current Liabilities		
	Expenses Payable	10,000	11,800
	Total	10,000	11,800
7	Short Term Provisions		
	Provision For Income Tax	4,020	-
	Total	4,020	-
8	Non Current Investment		
	<u>In Equity Instruments</u>		
	Others (Unquoted)	5,13,16,750	5,13,16,750
	Total	5,13,16,750	5,13,16,750
9	Long Term Loans and Advances		
	<u>Unsecured considered good</u>		
	Other Loans & Advances	-	1,24,54,110
	Total	-	1,24,54,110

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022656N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHJ8553

Place : New Delhi
Dated : 31st July, 2020

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited

Madhu
Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

(Amount in Rs.)

10	Other Non Current Assets		
	<u>Misc. Expenses</u> (To the extent not written off or adjusted) Preliminary and Pre Operative Expenses		
	Opening Balance	6,236	12,471
	Addition during the year	-	-
	Less : Written of during the year	6,236	6,235
	Total	-	6,236
11	Trade Receivables		
	Receivables outstanding for more than 6 months	-	-
	Receivables outstanding for less than 6 months	5,67,625	-
	Total	5,67,625	-
12	Cash & Bank Balances		
	<u>Balance With Banks</u>		
	Yes Bank	27,911	43,651
	Cash In Hand	7,47,686	6,84,329
	Total	7,75,597	7,27,980
13	Other Current Assets		
	Income Tax Refund	-	33,170
	TDS Receivable	29,875	-
	OJ Financial Services Limited	344	-
	Total	30,219	33,170

For AVR & Associates
Chartered Accountants
(Firm Reg. No. 022056M)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHJ8553

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited

Madhu
Madhu Bhandula
Director
DIN : 07599092

SP Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July, 2020

Notes to and forming Part of Statement of Profit & Loss for the year ended 31st March, 2020

(Amount in Rs.)

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019
14	Revenue from Operation		
	Interest Income	-	-
	Contractual Income	-	-
	Total	-	-
15	Other Income		
	Commission Income	5,97,500	
	Interest on Income Tax Refund	2,150	
	Total	5,99,650	-
16	Employee Benefit Expenses		
	Salary & Wages	1,45,870	
	Staff Welfare	24,111	
	Total	1,69,981	-
17	Other Expenses		
	Audit Fees	10,000	11,800
	Business Promotion Expenses	36,450	
	Bank Charges	-	257
	DP Charges	1,426	-
	Festival Celebration Expenses	35,847	-
	Office Expenses	34,595	-
	Preliminary Expenses Written Off	6,236	6,235
	Printing & Stationery	67,655	-
	Professional Expenses	28,750	-
	Rent Expenses	1,32,625	-
	Repair & Maintenance	30,740	-
	ROC Charges	11,600	-
	Total	3,95,924	18,292

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited


Anil Varma
Partner



Membership No.: 093374
UDIN: 20093374AAAAHJ8553


Madhu Bhandula
Director
DIN : 07599092


Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July, 2020

<u>Other Disclosures</u>		As at March 31, 2020	As at March 31, 2019
18 (a)	<u>Contingent Liabilities</u>	-	-
18. (b)	<u>Capital Commitments</u>	-	-
18.(c)	<u>Other Commitments</u>	-	-
19	<u>Details of Remuneration to Auditor</u>		
(a)	As Statutory Auditor	10,000	11,800
(b)	For Other Services	-	-
(c)	Out of Pocket Expenses	-	-
20	Expenditure in Foreign Currency	-	-
21	<u>Earning Per Share</u>		
	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Net Profit/(Loss) after tax (in Rs)	29,854	(18,292)
	Weighted Average No. of Equity Shares	80,050	80,050
	Earning Per Share (in Rs)	0.37	(0.23)
	Nominal Value per equity share (in Rs)	10	10
22	<u>Amount due to Micro, Small and medium Enterprises:</u> There are no Micro and Small Scale Business Enterprises to whom the company owes, which are outstanding for more than 45 days as at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Therefore, the prescribed disclosures for liability of interest on overdue payment have not been given.		
23	In the opinion of the management of the company, the current assets and loans & advances have realization value in the ordinary course of business at least equal to the figures stated in the balance sheet and provisions for all the known liabilities have been made.		
24	<u>Segment Reporting</u> As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosures prescribed by Accounting Standard 17 are not applicable.		
25	<u>Related Party Disclosure</u> There are no related party transactions in the company. Hence the company doesn't require any disclosure as prescribed by Accounting Standard 18.		
26	<u>Previous year figures</u> Figures of the previous year have been regrouped /reclassified wherever considered necessary to conform to current year classification.		

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHJ8553

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited

Madhu
Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July, 2020

Annexure "A" For Note No. 5
Long Term Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Castle Rock Advisors Private Limited	-	3,80,000
Competent Infoways Private Limited		1,15,00,000
Total	-	1,18,80,000

Annexure "B" For Note No. 6
Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Expenses Payable		
Audit Fees Payable	10,000	11,800
Total	10,000	11,800

Annexure "C" For Note No. 8
Non Current Investment (Unquoted)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current Investment		
Indian Duro Build Private Limited (Current Year 1,25,000 Shares (Previous Year 1,25,000 Shares)	1,25,00,000	1,25,00,000
S E Finvest Private Limited (Current Year 1,09,000 Shares) (Previous Year 1,09,000 Shares)	1,58,00,000	1,58,00,000
Moon Beverage Limited (Current Year 5,500 Shares) (Previous Year 5,500 Shares)	25,00,000	25,00,000
HAL Offshore Limited (Current Year 1,81,886 Shares (Previous Year 1,81,886 Shares)	2,05,16,750	2,05,16,750
Total	5,13,16,750	5,13,16,750

Annexure "D" For Note No. 9
Long Term Loans and Advances

Particulars	As at March 31, 2020	As at March 31, 2019
Long Term Loans and Advances		
Dadhwal Chemical Agencies Private Limited		41,12,335
DRV Capital Advisors Private Limited		15,00,000
Ketan Electricals Private Limited		68,41,775
Total	-	1,24,54,110

Annexure "E" For Note No. 11
Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Receivables outstanding for less than 6 months		
AKS Credits Limited	5,67,625	
Total	5,67,625	

For AVRG & Associates
Chartered Accountants
(Firm Reg. No. 022056N)



Anil Varma
Partner
Membership No.: 093374
UDIN: 20093374AAAAHJ8553

For and on Behalf of the Board of Directors
K2 Infosolutions Private Limited

Madhu
Madhu Bhandula
Director
DIN : 07599092

Satya Pal Bhandula
Satya Pal Bhandula
Director
DIN : 05100519

Place : New Delhi
Dated : 31st July, 2020

Name of Assessee	K2 INFOSOLUTIONS PRIVATE LIMITED		
Address	House No. 181,Block-D, Pocket-17,Sector-3, Rohini,North Delhi,DELHI,110085		
E-Mail	k2infosolutions2011@gmail.com		
Status	Company(Domestic)	Assessment Year	2020-2021
Ward	WARD 14(1), DELHI ()	Year Ended	31.3.2020
PAN	AAECK5245L	Incorporation Date	01/11/2011
Residential Status	Resident		
Particular of Business	Trading		
Nature of Business	OTHER SERVICES-Other services n.e.c.(21008)		
Method of Accounting	Mercantile		
A.O. Code	DEL-W-035-01		
Filing Status	Original		
Bank Name	Yes Bank Ltd, Netaji Subhash Place, Pitampura, New Delhi, A/C NO:018461900000558 ,Type: Current ,IFSC: YESB0000184		
Tele:	Mob:9990172927		

Computation of Total Income [As per Section 115BAA (Tax @22%)]

Income from Business or Profession (Chapter IV D) 13303

Profit as per Profit and Loss a/c		33745
Total		<u>33745</u>
<u>Less:</u>		
Income taxable under other sources	<u>2150</u>	<u>2150</u>
		31595
Brought Forward Business Loss Set off		<u>-18292</u>

Income from Other Sources (Chapter IV F) 2152

Interest From IT Refund		<u>2152</u>
-------------------------	--	-------------

Gross Total Income 15455

Total Income 15455

Round off u/s 288 A 15460

MAT Provisions not apply on company due to applicability of section 115BAA

Tax Due @ 22% (Company applicable for Sec 115BAA) 3401

Surcharge @10% 340

3741

Health & Education Cess (HEC) @ 4.00% 150

3891

T.D.S. 29875

-25984

Refundable (Round off u/s 288B) 25980

T.D.S./ T.C.S. From

Non-Salary(as per Annexure) 29875
Due Date for filing of Return September 30, 2020
Due date extended to 30/11/2020 35/2020/F.No. 370142/23/2020-TPL DT. 24.06.2020

Comparison of Income if Company does not Opt for Section 115BAA/115BAB (Tax @25%)

1.Total income as per Section 115BAA/115BAB		15455
2. Adjustments according to section 115BAA/115BAB		
(i) Deduction under Ch VIA as per Provisions of Section 115BAA/115BAB	0	
Gross Total Income as per Section 115BAA/115BAB		15455
(ii) Allowed Deductions (which were disallowed under section 115BAA / 115BAB)		
No Deduction exists		
(iii) Allowed Brought Forward Loss (which were disallowed under section 115BAA / 115BAB)		
NA	0	0
3. Gross Total Income (1-2)		15455
Deduction under Chapter VIA		0
Total Income after Adjustments under section 115BAA/115BAB		15455

Statement of Business losses Brought/Carried Forward

Assessment Year	Brought Forward	Disallowed as per 115BAA/115BAB	Set off	Carried Forward
2019-2020(22/09/2019)	18292	0	18292	0
Total	18292	0	18292	0

Details of T.D.S. on Non-Salary(26 AS Import Date:20 Jul 2020)

S.No	Name of the Deductor	Tax deduction A/C No. of the deductor	Total Tax deducted	Amount out of (4) claimed for this year
1	A K S CREDITS LIMITED	DELA12494G	29875	29875
	TOTAL		29875	29875

Head wise Summary on Income and TDS thereon

Head	Section	Amount Paid/Credited As per 26AS	As per Computation	Location of Income for Comparison	TDS
Business	194H	597500			29875

Bank Account Detail

S. No.	Bank	Address	Account No	MICR NO	IFSC Code	Type
1	Yes Bank Ltd	Netaji Subhash Place, Pitampura, New Delhi	018461900000558		YESB0000184	Current(Primary)


Signature

(SATYA PAL BHANDULA)

For K2 INFOSOLUTIONS PRIVATE LIMITED



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FORTUNE INDUSTRIAL RESOURCES LIMITED**

**REPORT ON THE AUDIT OF THE STANDALONE Ind AS FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2020**

1. Opinion

- A. We have audited the accompanying Standalone Ind AS Financial Statements of **Fortune Industrial Resources Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. 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 Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no matter which is required to be described as key audit matter to be communicated in our report

474-75, Aggarwal Millennium Tower-2, Netaji Subhash Place, Pitampura, Delhi - 110034
Contact us at : +91-11-47666333, Fax : +91-11-47092805, Website : www.cabhala.com



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FORTUNE INDUSTRIAL RESOURCES LIMITED**

**REPORT ON THE AUDIT OF THE STANDALONE Ind AS FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2020**

1. Opinion

- A. We have audited the accompanying Standalone Ind AS Financial Statements of **Fortune Industrial Resources Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. 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 Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no matter which is required to be described as key audit matter to be communicated in our report



4. Other Matter

The comparative financial information of the Company for the year ended 31st March, 2019 and the transition date opening balance sheet as at 1st April, 2018 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us/the predecessor auditors, whose audit report for the year ended 31st March, 2018 and 31st March, 2017 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of above matter.

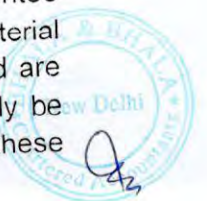
5. Management's Responsibility for the Standalone Ind AS Financial Statements

- A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- B. In preparing the Standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

6. Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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



Standalone Ind AS Financial Statements.

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

i) Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) 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 Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation .

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

D. 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.

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

II. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in term 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.

2. The Comptroller and Auditor General of India has issued the directions and sub directions indicating the areas to be examined in term of Sub-section 5 of Section 143 of the Act, the compliance of which is set out in **Annexure "B"**.

3. As required by Section 143(3) of the Act, based on our audit we report that:

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- D. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS 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 March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- F. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal

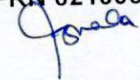


financial controls over financial reporting.

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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements. (Refer Note No.21)
- 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

For Bhala & Bhala
Chartered Accountants
FRN 021008N


Ashish Bhala
Partner
M. NO. 508902
UDIN: 20508902AAAABC6619

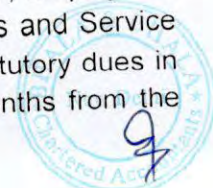


PLACE : NEW DELHI
DATE : July 30, 2020

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure "A" referred to in paragraph (II) 2 of our report of even date to the members of **Fortune Industrial Resources Limited** on the Standalone Ind AS Financial Statements for the year ended 31st March, 2020.

- i) In respect of Company's Fixed Assets
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, physical verification of fixed assets has been carried out by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency and manner of physical verification is reasonable, having regard to the size of the Company and nature of its business.
 - (c) Title deeds of immovable properties of the company are held in the name of the Company.
- ii) The company is a Non Banking Finance Company, and accordingly does not hold any inventory. Thus, the Companies (Auditor's Report) Order, 2016 is not applicable.
- iii) According to the information and explanations given to us, the Company has, during the year not granted any loans, secured or unsecured to companies, firm, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv) According to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of investments.
- v) The Company has not accepted any deposits during the year and therefore, the provision of the clause 3(v) of the Order is not applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of Cost records under sub section (1) of section 148 of the Companies Act 2013 in respect of services rendered by the company. Accordingly, Clause 3(vi) of the Order is not applicable to the company.
- vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax (GST), Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There is no undisputed amount payable in respect of Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Value Added Tax, Goods and Service Tax (GST), Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for the period of more than six months from the date they become payable except the below



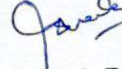
Name of the Statute	Nature of Dues	Period	Demand in Dispute	Amount Deposited	Pending at
Income Tax Act, 1961	Income tax	AY 2011-12	Rs 4,88,38,700	41,57,686	CIT(A)-XXVI, New Delhi

- (c) According to the records and information and explanation given to us and the records examined by us of the Company, there were no dues in respect of Sales Tax, Service Tax, Goods & Service Tax (GST), Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues which have not been deposited on account of disputes.
- viii) The Company has not taken any term loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3(viii) of the Order is not applicable to the Company.
- ix) The Company has not raised moneys by way of initial public offer or further public offer (Including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management, we report that no fraud by the Company or no material fraud on the company by its officer or employees has been noticed or reported during the course of our audit.
- xi) In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration in accordance with the provisions of section 197 read with Schedule V of the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence paragraph 3 (xii) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 177 and 188 of the Companies Act, 2013 wherever applicable, for all transactions with related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and provisions of section 192 of the Companies Act, 2013 are applicable to the Company.



xvi) The Company is registered under section 45-1A of the Reserve Bank of India Act, 1934 .

For Bhala & Bhala
Chartered Accountants
FRN 021008N



Ashish Bhala
Partner

M. NO. 508902

UDIN: 20508902AAAABC6619

PLACE : NEW DELHI
DATE : July 30, 2020



ANNEXURE "B"

(Referred to in Para 2 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Fortune Industrial Enterprises Limited on the standalone financial statements for the year ended 31st March 2020

S. No.	Questionnaire	Replies
1	<p>Whether the company has applied for registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934), and</p> <p>whether it has received any communication from Reserve Bank of India about the grant of or refusal of certificate of registration to it, And</p> <p>whether the company has obtained a certificate of registration from the Reserve Bank of India if it is a company incorporated on or after January 9, 1997</p>	<p>As per the information and explanation given to us and relied upon by us, the company has been of registered as a Non – Banking Financial Company under the provisions of the Reserve Bank of India Act, 1934 and has obtained a certificate of registration No. B14 – 01702 dated April 28, 2000 from the Reserve Bank of India in terms of Section 45IA.</p>
2	<p>Whether the Board of Directors has passed a resolution for the non acceptance of any public deposits.</p>	<p>As per the information and explanation given to us and relied upon by us, the board of directors of the company has passed a resolution for non-acceptance of public deposits.</p>
3	<p>Whether the company has accepted any public deposits during the relevant period/year</p>	<p>As per the information and explanation given to us and relied upon by us, the company has not accepted any deposits from the public during the FY 2019-20.</p>
4	<p>Whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.</p>	<p>As per the information and explanation given to us and relied upon by us, the company has complied with the provisions of prudential norms relating to the income recognition, assets classification, accounting standards and provisioning for bad and doubtful debts, to the extent applicable, during the FY ended March 31, 2020</p>

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

For Bhala & Bhala
Chartered Accountants
ERN 021008N


Ashish Bhala
Partner
M. NO. 508902
UDIN: 20508902AAAABC6619

PLACE : NEW DELHI
DATE : July 30, 2020



ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE Ind AS FINANCIAL STATEMENTS OF FORTUNE INDUSTRIAL RESOURCES LIMITED

(Referred to in paragraph (II 1F) under 'Report on other Legal and Regulatory Requirements' of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **Fortune Industrial Resources Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to Obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

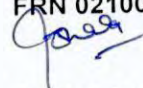
INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

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

For Bhala & Bhala
Chartered Accountants
FRN 021008N



Ashish Bhala
Partner

M. NO. 508902

UDIN: 20508902AAAABC6619

PLACE: NEW DELHI
DATE: July 30, 2020



FORTUNE INDUSTRIAL RESOURCES LIMITED

CIN:L51503DL1986PLC024329

Balance Sheet as at March 31, 2020

Particulars	Note No	Amount (in Lacs)		
		As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
ASSETS				
1) Financial Assets				
(a) Cash and cash equivalents	3	0.41	9.50	55.14
(b) Trade Receivables	4	200.00	200.00	200.00
(c) Loans	5	215.00	215.00	219.21
(d) Investments	6	4,078.36	4,073.89	3,678.32
(e) Other financial assets	7	24.12	2.04	0.24
2) Non Financial Assets				
(a) Current Tax Asset (Net)	8	-	2.39	0.84
(b) Deferred Tax Asset (Net)	9	-	-	-
(c) Investment Property	9	6.48	6.48	6.48
(d) Other Non financial assets	10	41.58	41.58	41.58
Total Assets		4,565.95	4,550.88	4,201.81
Liabilities				
1) Financial Liabilities				
(a) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	0.34
(b) Other Financial Liabilities	11	422.37	396.50	359.21
2) Non Financial Liabilities				
(a) Current Tax Liability (Net)	8	3.51	-	-
(b) Deferred Tax Liability	12	1,018.29	1,016.60	901.65
(c) Other Non Financial Liabilities	13	1.87	0.18	113.36
Total Liabilities		1,446.03	1,413.28	1,374.56
Equity				
Equity Share Capital	14	100.00	100.00	100.00
Other Equity	15	3,019.92	3,037.60	2,727.25
Total Equity		3,119.92	3,137.60	2,827.25
Total Liabilities and Equity		4,565.95	4,550.88	4,201.81

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

Jarda

Ashish Bhala
(Partner)

M.No : 508902



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

Nishant Goyal

Nishant Goyal
(Whole Time Director)

DIN : 08153024

Bharti

Bharti
(Company Secretary)

M No. A34492

Vicky Kumari

Vicky Kumari
(Director)

DIN: 06248219

Umesh Kumar Gupta

Umesh Kumar Gupta
(CFO)

Place : Delhi

Date : 30.07.2020

UDIN: 20508902 AAAA BC6619

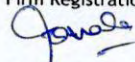
FORTUNE INDUSTRIAL RESOURCES LIMITED

CIN:L51503DL1986PLC024329

Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note no.	Amount (in Lacs)	
		For the period March 31, 2020	For the period March 31, 2019
I Revenue from operations			
Interest Income	16	22.21	26.95
Rental Income		-	1.80
Net Gain arising on Investments designated as at FVTPL		7.30	4.34
Total		29.51	33.09
II Other Income	17	0.15	-
III Total Income (I +II)		29.66	33.09
IV Expenses			
Employee benefit expense	18	5.11	9.00
Other expense	19	6.76	13.27
Finance Cost	20	26.14	24.43
Loss on sale of mutual fund		2.83	-
Total expenses (IV)		40.84	46.70
V Profit/ (loss) before exceptional items and tax (III-IV)		-11.18	-13.61
VI Exceptional items		-	-
VII Profit/ (loss) before tax (V-VI)		-11.18	-13.61
VIII Tax expense			
a) Current Tax		5.73	1.15
b) Deferred Tax		1.69	1.64
IX Profit/ (loss) for the period (VII-VIII)		-18.60	-16.40
X Other Comprehensive Income/(Loss)			
(i) Items that will not be reclassified to profit or loss			
(a) Equity instruments through other comprehensive income		-	440.06
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-113.32
XI Total comprehensive income for the period (X+XI)		-18.60	310.35
XII Earnings per share	25		
a) Basic		-1.86	-1.64
b) Diluted		-1.86	-1.64
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 Bhala & Bhala,
Chartered Accountants
Firm Registration Number : 021008N



Ashish Bhala
(Partner)
M.No : 508902



Place : Delhi
Date : 30.07.2020

UDIN : 2050 8902LAAAABC 6619

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


Nishant Goyal
(Whole Time Director)
DIN : 08153024


Bharti
(Company Secretary)
M No. A34492


Vicky Kumar
(Director)
DIN:08248219


Umesh Kumar Gupta
(CFO)

FORTUNE INDUSTRIAL RESOURCES LIMITED

CIN:L51503DL1986PLC024329

Standalone Cash Flow Statement for the year ended March 31, 2020

Particular	Amount (in Lacs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from Operating Activities		
Profit Before Tax	-11.18	-13.61
Adjustments for:		
Net Loss/(gain) arising on investments measured at FVTPL	-7.30	-4.34
Loss/(gain) on sale of mutual fund	2.83	-
Operating Profit before working capital changes	-15.66	-17.95
Changes in Working Capital:		
Adjustments for (increase)/decrease in operating assets		
Loans	-	4.21
Other financial assets	-22.08	-1.80
Other current asset & non current assets	-	-
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	-	-0.34
Other current liabilities	25.87	37.29
Other non-financial liabilities	1.69	-113.18
Cash generated from operations	(10.18)	(91.78)
Income tax paid	1.09	-2.70
Net cash flow from Operating Activities (A)	-9.09	-94.47
Cash flows from Investing Activities		
Proceeds from sale of Investments	-	48.83
Interest received	-	-
Net cash flow from / (used in) Investing Activities (B)	-	48.83
Cash flows from Financing Activities		
Repayments of other than short term borrowings	-	-
Increase/(decrease) in short term borrowings	-	-
Net cash flow from/(used in) Financing Activities (C)	-	-
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	-9.09	-45.64
Cash and Cash equivalents at the beginning of year	9.50	55.14
Cash and Cash equivalents at the end of the year	0.41	9.50

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

Ashish Bhala
(Partner)
M.No :508902



Place : Delhi

Date :30.07.2020

U DIN: 20SD8902AAAABC6619

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

Nishant Goyal
(Whole Time Director)
DIN : 08153024

Vicky Kumari
(Director)
DIN:08248219

Bharti
(Company Secretary)
M No.A34492

Umesh Kumar Gupta
(CFO)

FORTUNE INDUSTRIAL RESOURCES LIMITED

CIN:L51503DL1986PLC024329

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

Particulars	No. of Shares	Amount (in Lacs)
Balance as at April 01, 2018	10,00,000	100.00
Changes in Share Capital during the year	-	-
Balance as at March 31, 2019	10,00,000	100.00
Changes in Share Capital during the year	-	-
Balance as at March 31, 2020	10,00,000	100.00

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			
Balance as at April 01, 2018	37.18	404.55	0.55	2,280.43	-	4.55	2,727.25
Transfer to Special Reserve fund	0.66	-	-	-0.66	-	-	-
Transfer to Standard Asset Reserve	-	-	-0.01	0.01	-	-	-
Profit for the year	-	-	-	-16.40	-	-	-16.40
Fair value of equity instruments	-	-	-	-	440.06	-	440.06
Income Tax relating to above item	-	-	-	-	-113.32	-	-113.32
Balance as at March 31, 2019	37.84	404.55	0.54	2,263.38	326.75	4.55	3,037.60
Transfer to Special Reserve Fund	-	-	-	-	-	-	-
Reversal of excess income tax provision	-	-	-	0.92	-	-	0.92
Profit for the year	-	-	-	-18.60	-	-	-18.60
Other adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2020	37.84	404.55	0.54	2,245.71	326.75	4.55	3,019.92

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


 Ashish Bhala
 (Partner)
 M.No : 508902



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


 Vishant Goyal
 (Whole Time Director)
 DIN : 08153024


 Bharti
 (Company Secretary)
 M No.A34492


 Vicky Kumar
 (Director)
 DIN:08248219


 Gopesh Kumar Gupta
 (CFO)

Place : Delhi
 Date : 30.07.2020

UDIN : 20508902AAAABC6619

Details relating to Preference Share Capital

Amount (in Lacs)

Particulars	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2019	April 01, 2018
Authorised				
1,00,000 Preference Shares of Rs 10/-each.	10.00	10.00	10.00	10.00
Issued, Subscribed & Fully Paid up				
1,00,000 Preference Shares of Rs 10/-each.	10.00	10.00	10.00	10.00
Total	10.00	10.00	10.00	10.00

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

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Opening Balance	1,00,000	10.00	1,00,000	10.00	1,00,000	10.00
Add:- Addition during the Year	-	-	-	-	-	-
Less:- Deletion during the Year	-	-	-	-	-	-
Closing Balance	1,00,000	10.00	1,00,000	10.00	1,00,000	10.00

(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, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Pref Shares	Percentage Holding	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%	55,556	55.56%
M/s Maksad Infracon Private Limited Business	44,444	44.44%	44,444	44.44%	44,444	44.44%
	1,00,000	100.00%	1,00,000	100.00%	1,00,000	100.00%



FORTUNE INDUSTRIAL RESOURCES LIMITED

CIN:L51503DL1986PLC024329

Notes to Financial Statements for the year ended March 31, 2020

Note 3 : Cash and Cash Equivalents

Particulars	Amount (in Lacs)		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash on hand	0.08	0.66	0.92
Balances with banks - current account	0.33	8.84	54.21
Total	0.41	9.50	55.14

Note 4 : Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Trade Receivables			
Receivables considered good - Secured;	-	-	-
Receivables considered good - Unsecured	200.00	200.00	200.00
Receivables which have significant increase in Credit Risk	-	-	-
Receivables - credit impaired	-	-	-
Less : Allowance for impairment loss	-	-	-
Total	200.00	200.00	200.00

Note 5 : Loans

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Loans Repayable on Demand (at amortised cost)			
Aarey Organic Industries Pvt. Ltd.	180.00	180.00	219.21
Aditri Chemicals & Minerals Pvt. Ltd.	35.00	35.00	-
Less: Impairment loss allowance	-	-	-
Total	215.00	215.00	219.21

Note 6 : - Investments

Particulars	Unit		As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
	{ 2020}	{ 2018}			
	[2019]	(2018)			
Unquoted Investments in Fully paid up equity shares In Others (at FVTOCI)					
HAL Offshore Limited	(22600)	(22,600)	643.41	643.41	423.58
Moon Beverages Limited	(527198)	(5,27,198)	3,245.34	3,245.34	3,025.21
PNR System P Ltd.	(195000)	(1,95,000)	-	-	-
Saptrishi Finance Limited	(809120)	(8,09,120)	93.75	93.75	74.48
Gemini Buildtech Private Limited	(-)	(-)	-	-	68.00
Total of Unquoted Investments (A)	(68,000)	(68,000)	3,982.50	3,982.50	3,591.27
Quoted Investments in Mutual Fund (at FVTPL)					
Nippon India Strategic Debt Fund-Growth Plan	(253779.53)	(-)	95.87	-	-
Reliance Mutual Fund	(-)	(621545.244)	-	91.39	87.05
Total of Quoted Investments (B)			95.87	91.39	87.05
Total(A+B)			4,078.36	4,073.89	3,678.32

Note 7 : Other Financial Assets

Particulars	Amount (in Lacs)		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Rent Receivable	2.04	2.04	0.24
Interest Receivable	22.08	-	-
Total	24.12	2.04	0.24

Note 8 : Current Tax Liability/(Assets) (Net)

Particulars	Amount (in Lacs)		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Income Tax	5.73	2.30	1.15
Less : Advance Tax/ TDS/ TCS	2.22	4.69	1.99
Total	3.51	-2.39	-0.84

Note 9 : Investment Property

Particulars	Amount (in Lacs)		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Flat in Delhi			
Opening Balance	6.48	6.48	6.48
Addition	-	-	-
Disposals	-	-	-
Other adjustments	-	-	-
Depreciation during the year	-	-	-
Impairment Loss/ other reversals	-	-	-
Closing Balance	6.48	6.48	6.48
Total	6.48	6.48	6.48

Note 10 : Other Non Financial Assets

Particulars	Amount (in Lacs)		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Income Tax Paid against Appeal AY 2011-12	41.58	41.58	41.58
Total	41.58	41.58	41.58

Note 11: Other Financial Liabilities

Particulars	Amount (in Lacs)		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Advance received	13.50	13.50	-
Liability Component of Redeemable Preference Share Capital	399.61	373.47	349.04
Liability for Expenses	9.26	9.53	10.18
Total	422.37	396.50	359.21

Note 12: Deferred Tax Liability

Significant components of deferred tax liabilities (net) as at March 31, 2020 are as follows:

Particulars	Opening Balance (As at April 01, 2019)	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income (OCI)	Closing Balance (As at March 31, 2020)
Deferred tax (assets) in relation to:				
origination and reversal of temporary differences	2.08	0.73	-	2.82
	2.08	0.73	-	2.82
Deferred tax (liabilities) in relation to:				
Liability Component of Preference Share Capital	141.87	-	-	141.87
Fair value of investments	876.29	1.90	-	878.19
origination and reversal of temporary differences	0.52	0.53	-	1.05
	1,018.68	2.42	-	1,021.10
Deferred Tax Liabilities (net)	1,016.60	1.69	-	1,018.29

Significant components of deferred tax liabilities (net) as at March 31, 2019 are as follows:

Particulars	Opening Balance (As at April 01, 2018)	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income (OCI)	Amount (in Lacs)
				Closing Balance (As at March 31, 2019)
Deferred tax (assets) in relation to:				
origination and reversal of temporary differences	2.08	-	-	2.08
	2.08	-	-	2.08
Deferred tax (liabilities) in relation to:				
Liability Component of Preference Share Capital	141.87	-	-	141.87
Fair value of investments	761.85	1.12	113.32	876.29
origination and reversal of temporary differences		0.52	-	0.52
	903.73	1.64	113.32	1,018.68
Deferred Tax Liabilities (net)	901.65	1.64	113.32	1,016.60

Note 13 : Other Non Financial Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
	Statutory Liabilities	0.13	0.18
Other payables	1.74	-	112.90
Total	1.87	0.18	113.36

Note 14: Equity Share Capital

Authorised	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	Amount	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	29,00,000	290.00	29,00,000	290.00

Issued, subscribed and fully paid-up

Equity shares of Rs. 10 each	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
	10,00,000	100.00	10,00,000	100.00	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, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Equity Shares						
At the beginning of the year	10,00,000	100	10,00,000	100	10,00,000	100
Changes during the year	-	-	-	-	-	-
At the end of the year	10,00,000	100	10,00,000	100	10,00,000	100

(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, 2020		As at March 31, 2019		As at April 01, 2018	
	Numbers	% of holding	Numbers	% of holding	Numbers	% of holding
Mr. Sanjeev Agarwal	4,20,500	42.05%	4,20,500	42.05%	4,20,500	42.05%
Mrs. Prabha Agarwal	1,00,000	10.00%	1,00,000	10.00%	1,00,000	10.00%
Mrs. Deepti Agarwal	95,800	9.58%	95,800	9.58%	95,800	9.58%
Mr. Mukesh Agarwal	69,200	6.92%	69,200	6.92%	69,200	6.92%

Note 15: Other Equity

Particulars	Amount (in Lacs)		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Securities Premium			
Opening balance			890.00
Less: Ind AS Adjustments (Net of deferred tax)	404.55	404.55	485.45
Closing balance	-	-	404.55
Special Reserve Fund			
Opening balance			
Add: Created during the year	37.84	37.18	36.52
Less: Utilised during the year	-	0.66	0.66
Closing balance	37.84	37.84	37.18
Contingent Provision against standard assets			
Opening balance	0.54	0.54	0.55
Add: Profit for the year transferred from the Statement of Profit and Loss	2,263.38	2,280.43	87.54
Less: Transfer to Special Reserve Fund	-18.60	-16.40	3.30
Less : Transfer to Standard Assets Reserve	-	0.66	0.66
Add: Reversal of excess provision made for I.Tax & previous years I.Tax	-	0.01	0.55
Refund Received	0.92	-	-
Add: Ind AS adjustment	-	-	-
Closing Balance	2,245.71	2,263.38	2,190.80
Other Comprehensive Income			
Opening Balance	326.75	-	-
Add : Equity Instruments through Other Comprehensive Income	-	440.06	-
Less : Income tax related to OCI	-	-113.32	-
Closing Balance	326.75	326.75	-
Equity Component of Redeemable Preference Share Capital (net of Deferred Tax)			
Opening balance	4.55	4.55	4.55
Total Other Equity			
	3019.92	3037.60	2727.25

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 earnings @ 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.

FORTUNE INDUSTRIAL RESOURCES LIMITED

CIN:L51503DL1986PLC024329

Notes to Financial Statements for the year ended March 31, 2020

Note 16: Interest Income

<u>Particulars</u>	Amount (in Lacs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on Loans	22.21	26.95
	<u>22.21</u>	<u>26.95</u>

Note 17: Other Income

<u>Particulars</u>	Year Ended March 31, 2020	Year Ended March 31, 2019
	Interest on Income Tax Refund	0.15
	<u>0.15</u>	<u>-</u>

Note 18: Employee Benefit Expenses

<u>Particulars</u>	Year Ended March 31, 2020	Year Ended March 31, 2019
	Salaries & Wages	5.11
	<u>5.11</u>	<u>9.00</u>

Note 19: Other Expenses

<u>Particulars</u>	Year Ended March 31, 2020	Year Ended March 31, 2019
	Audit Fees	1.18
Cost of Advertising	0.29	0.44
Bank Charges	0.01	0.01
Conveyance Expenses	0.47	1.57
Fee & Taxes	0.93	2.52
Legal & Professional Charges	2.62	6.99
Office Rent & Maintenance	0.60	0.54
Postage & Telegram	-	0.00
Printing & Stationary	0.11	0.16
Internet & Domain Expenses	0.05	0.06
Director Sitting Fees	0.50	0.70
	<u>6.76</u>	<u>13.27</u>

Note 20: Finance Cost

<u>Particulars</u>	Year Ended March 31, 2020	Year Ended March 31, 2019
	Liability Component of Redeemable Preference Share Capital	26.14
	<u>26.14</u>	<u>24.43</u>

FORTUNE INDUSTRIAL RESOURCES LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

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.

For all periods upto and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with the requirements of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These financial statements for the year ended March 31, 2020 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 01, 2018. Refer note 2.4 for the details of the first-time adoption exemptions availed by the Company.

All amounts disclosed in the financial statements and notes are as per the requirement of Schedule III, unless otherwise stated.

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

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**

On transition to Ind AS, the entity has elected to continue with the carrying value of all of the tangible assets recognised as at 1 April 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of tangible assets.

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.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2018.

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.

2.4 First time adoption of Ind AS

The Company had prepared its financial statements in accordance with the Accounting Standards (AS) notified under section 133 of the Companies Act, 2013 (Previous GAAP) for and including the year ended March 31, 2019. The Company has prepared its first Ind AS (Indian Accounting Standards) compliant Financial Statements for the year ended March 31, 2020 with restated comparative figures for the year ended March 31, 2019 in compliance with Ind AS. Accordingly, the Opening Balance Sheet, in line with Ind AS transitional provisions, has been prepared as at April 01, 2018, the date of Company's transition to Ind AS. The principal adjustments made by the Company in restating its Previous GAAP financial statements as at and for the Financial year ended March 31, 2019 and the balance sheet as at April 01, 2018 are as mentioned below:

A Optional Exemptions from retrospective application

Ind AS 101 on First Time Adoption of Ind AS allows first-time adopters certain voluntary exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions

I There is no change in the functional currency of the Company and accordingly, it has elected to continue with the carrying values for all of its investment property, property plant & equipment intangible assets as recognised in its Previous GAAP financial statements as the deemed cost at the transition date.

Mandatory Exceptions from retrospective application

I On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

II The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

FORTUNE INDUSTRIAL RESOURCES LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

21 Contingent Liabilities in respect of:

Claim against the Company not acknowledge as debts :

Particulars	Amount (in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
In respect of Income tax matters under appeals against Income Tax Demand	41.58	41.58

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.

22 Disclosures as per Ind AS 12-Income Taxes

(a)

Income Tax recognised in Statement of Profit & Loss

i. Current Tax expense in relation to:

Current year

Adjustment of earlier years

Total Current Tax Expense (A)
Deferred Tax Expense

Origination and reversal of temporary differences

Total Deferred Tax Expense(B)
Total Income Tax Expense(A+B)

	As at March 31, 2020	As at March 31, 2019
Current year	5.73	1.15
Adjustment of earlier years	-	-
Total Current Tax Expense (A)	5.73	1.15
Origination and reversal of temporary differences	1.69	1.64
Total Deferred Tax Expense(B)	1.69	1.64
Total Income Tax Expense(A+B)	7.42	2.79

(b) Reconciliation of tax expense and the accounting profit

Accounting profit before income tax (A)

Income tax rate applicable (B)

Income tax expense (A*B)

	As at March 31, 2020	As at March 31, 2019
Accounting profit before income tax (A)	-11.18	-13.61
Income tax rate applicable (B)	26.00%	25.75%
Income tax expense (A*B)	-2.91	-3.51

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

Others- STCG on sale of Mutual Fund

Others- Finance Cost on Liability component of Redeemable Preference Share

Total tax expenses in the Standalone Statement of Profit and Loss

Others- STCG on sale of Mutual Fund	3.53	-
Others- Finance Cost on Liability component of Redeemable Preference Share	6.80	6.29
Total tax expenses in the Standalone Statement of Profit and Loss	7.42	2.79

c) Applicable tax rate has increased from 25.75% to 26% in the current financial year due to increase in Education cess rate from 3% to 4%

d) The Company has recognised Deferred Tax Liability on amount of Preference Share Capital & Fair Value of Investments. Suitable adjustment has also been made on the transition date and in the comparative results. Movement in Deferred Tax has been shown under Note no. 12

23 Related Parties Disclosures
a) Name of Related Parties and description of relationships
i) Key Managerial Personnel
Designation

Sh. Sanjeev Agarwal	Director
Sh. Pankaj Gupta	Director
Ms. Vicky Kumari	Director
Ms. Puja Sharma	Director (till 15-10-2018)
Mr. Nishant Goyal	Whole Time Director
Ms. Bharti	Company Secretary
Mr. Deepak kumar Jha	Company Secretary
Mr. Umesh Kumar Gupta	CFO

ii) Enterprises over which KMP exercise significant influence

 Moon Beverages Limited
 Saptrishi Finance Limited
 PNR Systems Private Limited

b) Transactions with related parties
i) Key management personnel compensation

Particulars	March 31, 2020	March 31, 2019
<u>Short - term employee benefits*</u>		
Deepak kumar Jha	4.87	5.08
Ms. Bharti	0.21	-
Post - employment benefits	-	1.75
Long - term employee benefits	-	-
Total compensation	5.08	9.00

ii) Payment made to related parties

Particulars	Amount (In Lacs)	
	March 31, 2020	March 31, 2019
Expenses:		
Directors' Sitting Fee		
Pankaj Kumar Gupta		
Vicky Kumari	0.20	0.35
Puja Sharma	0.30	0.10
Reimbursement of Expenses	-	0.25
Total (A)	-	1.57
Advance Payment	0.50	2.27
Saptrishi Finance Ltd.		
Total(B)	1.50	-
Total (A+B)	1.50	-
	2.00	2.27

iii) Advance received:

Particulars	March 31, 2020	March 31, 2019
Moon Beverages Ltd.	-	13.50
Saptrishi Finance Ltd.	1.50	-
Total	1.50	13.50

c) Balance outstanding as at the end of the year

Particulars	March 31, 2020	March 31, 2019
Receivables:		
Mr. Sanjeev Agrawal		
Total	200.00	200.00
	200.00	200.00
Payables:		
Ms. Bharti		
Deepak kumar Jha	0.21	
Pankaj Kumar Gupta	0.03	0.56
Vicky Kumari	0.14	
Moon Beverages Ltd.	0.18	
Total	13.50	13.50
	14.05	14.06

*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.

24 Financial Instruments : Fair Value Measurement

S.No.	Particulars	Level of Hierarchy	As at March 31, 2020		
			FVTPL	FVTOCI	Amortized cost
	Financial assets				
1	Investments				
	Investment in equity instruments				
2	Other financial assets	1	-	4,078.36	-
3	Cash & Cash Equivalents	3	-	-	24.12
4	Trade Receivables	3	-	-	0.41
5	Loans	3	-	-	200.00
	Total Financial Assets	3	-	-	215.00
			-	4,078.36	439.53
	Financial Liability				
1	Trade & Other Payables				
2	Other financial Liabilities	3	-	-	-
	Total Financial Liabilities	3	-	-	422.37
			-	-	422.37

S.No.	Particulars	Level of Hierarchy	As at March 31, 2019		
			FVTPL	FVTOCI	Amortized Cost
	Financial assets				
1	Investments				
	Investment in equity instruments				
2	Other financial assets	1	-	4,073.89	-
3	Cash & Cash Equivalents	3	-	-	2.04
4	Trade Receivables	3	-	-	9.50
5	Loans	3	-	-	200.00
	Total Financial Assets	3	-	-	215.00
			-	4,073.89	426.54
	Financial Liability				
1	Trade & Other Payables				
2	Other financial Liabilities	3	-	-	-
	Total Financial Liabilities	3	-	-	396.50
			-	-	396.50

S.No.	Particulars	Level of Hierarchy	As at April 01, 2018 Amount (in Lacs)		
			FVTPL	FVTOCI	Amortized cost
	Financial assets				
1	Investments				
	Investment in equity instruments	1	-	3,678.32	-
2	Other financial assets	3	-	-	0.24
3	Cash & Cash Equivalents	3	-	-	55.14
4	Trade Receivables	3	-	-	200.00
5	Loans	3	-	-	219.21
	Total Financial Assets		-	3,678.32	474.58
	Financial Liability				
1	Trade & Other Payables	3	-	-	0.34
2	Other financial Liabilities	3	-	-	359.21
	Total Financial Liabilities		-	-	359.55

- 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.

25 Disclosure as per Ind AS 33 "Earnings per Share"

Particulars	March 31, 2020	March 31, 2019
Calculation of Profit/(loss) for basic/diluted EPS		
Net Profit/(loss) attributable to equity shareholders	-18.60	-16.40
Nominal value of equity share (Rs.)	10.00	10.00
No of shares as at end of the year	10	10
No. of weighted average equity shares	10	10
Basic Earning/(Loss) per share	(1.86)	(1.64)
Number of equity shares for Dilutive EPS	10	10
Dilutive Earning/(Loss) per share	-1.86	-1.64

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

The company's network 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.

27 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.

28 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:

	(Amount in Lacs)	
	March 31, 2020	March 31, 2019
Balance at the beginning of the year		
Add: Provided during the year (net of reversal)	200.00	200.00
Less: Amount written off/ translation adjustment	-	-
Balance at the end of the year	200.00	200.00

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 :

	Amount (in Lacs)				
	April 01, 2018				
	Upto 1 year	1 to 3 year	3 to 5 year	Above 5 year	Total
Trade payables	0.34	-	-	-	0.34
Other financial liabilities	359.21	-	-	-	359.21
Total	359.55	-	-	-	359.55
March 31, 2019					
	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Trade payables	-	-	-	-	-
Other financial liabilities	396.50	-	-	-	396.50
Total	396.50	-	-	-	396.50
March 31, 2020					
	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Other financial liabilities	422.37	-	-	-	422.37
Total	422.37	-	-	-	422.37

29 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, 2020, March 31, 2019 and April 01, 2018.

	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Equity Share capital			
Free Reserve*	100.00	100.00	100.00
	2,249.43	2,263.38	2,280.43

* Comprises of retained earning and general reserves.

30 Other Disclosures to Statement of Profit and Loss:**a) Outflow & inflow on Foreign Currency**

	March 31, 2020	March 31, 2019
Expenditures in foreign currency	NIL	NIL
Earnings in foreign currency	NIL	NIL

b) Payment to Auditors

	March 31, 2020	March 31, 2019
- Audit fees	1.18	0.30
- Out of Pocket Expenses	-	-
- Tax Audit	-	-
- Other Services	-	-
Total	1.18	0.30

31 Reconciliations for First Time Adoption of Ind AS

a) Reconciliation of Total Equity as at 31.03.2019 and 01.04.2018

Particulars	Note	Amount (in Lacs)	
		As at March 31, 2019	As at April 01, 2018
Total equity under previous GAAP		1,130.67	1,127.35
Equity instruments measured at fair value through Other Comprehensive Income/Profit & Loss	A, B	3,403.06	2,958.66
Ind AS Adjustments on Security Premium	F	-373.47	-349.04
Others	E	-6.06	-8.08
Deferred Tax Impact (DTA / DTL) on above	D	-1,016.60	-901.65
Total Equity after adjustment under Ind AS		3,137.60	2,827.25

b) Reconciliation of Total Comprehensive Income for the year ended 31.03.2019

Particulars	Note	For the year ended March 31, 2019
Profit for the year as reported under Previous GAAP		3.31
Net Gain / (Loss) on Fair Value of Equity Instruments	B	4.34
Finance Cost on Liability Component of Redeemable Preference Share Capital	F	-24.43
Others	E	2.02
Deferred Tax Impact (DTA / DTL) on above	D	-1.64
Net profit after tax as per Ind AS		-16.40
Net Gain / (Loss) on Fair Value of Equity Instruments (Net of Deferred Tax)	A, B & D	326.75
Total comprehensive income (net of tax) as per Ind AS		310.35

c) Effect of Ind AS adoption on the Balance Sheet as at March 31, 2019 and April 01, 2018

Particulars	Notes	IGAAP as at March 31, 2019	Adjustment for Ind AS	Ind AS as at March 31, 2019
I ASSETS				
1 Financial Assets				
(a) Cash and cash equivalents		9.50		9.50
(b) Trade Receivables		200.00	-	200.00
(c) Loans		215.00	-	215.00
(d) Investments		677.31	3,396.57	4,073.89
(e) Other Financial Assets	A, B	2.04	-	2.04
		1,103.85	3,396.57	4,500.43
2 Non Financial Assets				
(a) Current Tax Asset (Net)		4.69	-2.30	2.39
(b) Deferred Tax Asset (Net)		-	-	-
(c) Investment Property		-	6.48	6.48
(d) Other non financial assets	G, E	47.64	-6.06	41.58
		52.32	-1.87	50.45
Total Assets		1,156.18	3,394.70	4,550.88
II LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial Liabilities				
(a) Trade payables				
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 Liabilities	F	23.21	373.29	396.50
		23.21	373.29	396.50
2 Non Financial Liabilities				
(a) Current Tax Liability (Net)		2.30	-2.30	-
(b) Deferred Tax Liability (Net)	D	-	1,016.60	1,016.60
(c) Other Non Financial Liabilities		-	0.18	0.18
		2.30	1,014.48	1,016.78
Equity				
(a) Equity Share capital		110.00	-10.00	100.00
(b) Other Equity	F	1,020.67	2,016.93	3,037.60
		1,130.67	2,006.93	3,137.60
Total Equity and Liabilities		1,156.18	3,394.70	4,550.88

Particulars	Notes	Amount (in Lacs)		
		IGAAP as at April 01, 2018	Adjustment for Ind AS	Ind AS as at April 01, 2018
I ASSETS				
1 Financial Assets				
(a) Cash and cash equivalents		55.14	-	55.14
(b) Trade Receivables		200.00	-	200.00
(c) Loans		219.21	-	219.21
(d) Investments	A, B	726.15	2,952.18	3,678.32
(e) Other Financial Assets		0.24	-	0.24
		1,200.73	2,952.18	4,152.91
2 Non Financial Assets				
(a) Current Tax Asset (Net)		1.99	-1.15	0.84
(b) Deferred Tax Asset (Net)		-	-	-
(c) Investment Property	G	-	6.48	6.48
(d) Other non financial assets	E	49.66	-8.08	41.58
		51.65	-2.75	48.90
Total Assets		1,252.38	2,949.43	4,201.81
II LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial Liabilities				
(a) Trade payables				
i) total outstanding dues of micro enterprises and small enterprises		-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		0.34	-	0.34
ii) enterprises and small enterprises				
(b) Other Financial Liabilities	F	10.18	349.04	359.21
		10.52	349.04	359.55
2 Non Financial Liabilities				
a) Current Tax Liability (Net)		1.15	-1.15	-
(b) Deferred Tax Liability (Net)	D		901.65	901.65
(c) Other Non Financial Liabilities		113.36		113.36
		114.51	900.50	1,015.01
Equity				
(a) Equity Share capital	F	110.00	-10.00	100.00
(b) Other Equity		1,017.35	1,709.89	2,727.25
		1,127.35	1,699.89	2,827.25
Total Equity and Liabilities		1,252.38	2,949.43	4,201.81

(c) Effect of Ind AS adoption on Standalone Statement of Profit and Loss for the year ended 31.03.2019

Amount (in Lacs)

Particulars	Notes	IGAAP For the year ended March 31, 2019	Adjustment for Ind AS	Ind AS For the year ended March 31, 2019
(I) Revenue from Operations				
Interest Income		26.95	-	26.95
Rental Income		1.80	-	1.80
Net Gain arising on investments designated as at FVTPL	B		4.34	4.34
Total		28.75	4.34	33.09
(II) Other Income				
III Total Income (I +II)		28.75	4.34	33.09
IV Expenses				
Employee benefit expense		9.00	-	9.00
Other expense		13.27	-	13.27
Finance Cost	F	-	24.43	24.43
Total expenses (IV)		22.27	24.43	46.70
V Profit/ (loss) before exceptional items and tax (III-IV)		6.48	-20.10	-13.61
VI Exceptional items	E	2.02	-2.02	-
VII Profit/ (loss) before tax (V-VI)		4.46	-18.08	-13.61
VIII Tax expense				
a) Current Tax		1.15	-	1.15
b) Deferred Tax	D	-	1.64	1.64
IX Profit/ (loss) for the period (VII-VIII)		3.31	-19.71	-16.40
X Other Comprehensive Income/(Loss)				
(i) Items that will not be reclassified to profit or loss				
(a) Equity instruments through other comprehensive income	C		440.06	440.06
(ii) Income tax relating to items that will not be reclassified to profit or loss			-113.32	-113.32
XI Total comprehensive income for the period (X+XI)		3.31	307.03	310.35

Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(e) Effect of Ind AS adoption on Statement of Cash Flows for the year ended 31.03.2019

Particulars	Notes	IGAAP For the year ended March 31, 2019	Adjustment for Ind AS	Ind AS For the year ended March 31, 2019
Net cash flow from operating activities		-98.68	4.20	-94.47
Net cash flow from investing activities		53.04	-4.20	48.83
Net cash flow from financing activities		-	-	-
Net increase / (decrease) in cash and cash equivalents during the year		-45.64	-	-45.64
Cash and cash equivalents at the beginning of the year		55.14	-	55.14
Cash and cash equivalent at the end of the year		9.50	-	9.50

The transition from Indian GAAP to Ind AS has not material impact on the statement of cash flows. The only change is Cash & cash equivalent at the end of the year in IGAAP & Ind AS due to regrouping.

Notes to first time adoption

A FVTOCI financial assets

Under Indian GAAP, the company accounted for long term investments in unquoted and quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the company has designated such investments as FVTOCI investments. Ind AS requires FVTOCI investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the FVTOCI reserve, net of related deferred taxes.

This has resulted in increase in Total Equity by Rs 2946.60/- Lac with corresponding increase in value of investments in equity instruments as at the date of transition and Rs 440.06/- Lac increase as at 31.03.2019.

B Investment in Mutual Funds

Under Previous GAAP, the Company accounted for investments in mutual funds as financial instruments measured at lower of cost or fair value. Under Ind AS, the Company has designated such investments at fair value through profit and loss which are to be measured at fair value at each reporting date. The difference between the fair value of these instruments and Previous GAAP carrying amount has been adjusted in equity as on the transition date.

This has resulted in increase in Total Equity by Rs 12.05/- Lac with corresponding increase in value of investments in Mutual Funds as at the date of transition and Rs 4.33/- Lac increase as at 31.03.2019.

C Other Comprehensive Income

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

As a result, other Comprehensive income for the year ended 31.03.2019 has been increased by Rs 326.74/- Lac (net of tax).

D Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

These adjustments and the consequential impact due to the adoption of Ind AS have resulted in an decrease in the Total Equity by Rs 901.64/- Lac as at 01.04.2018 and an decrease in 114.95/- Lac Total Equity by as at 31.03.2019.

E Preliminary expenses

Under previous GAAP, Misc Expenditure is written off every year for five years. Under Ind AS the expense need to be written off in one year.

As a result of this the preliminary expenses amounted to Rs 8.08/- Lac has been written off at the date of transition.

F Preference Share Capital

Under Ind AS, preference shares are separated into liability and equity components including Security Premium received at the time of issue based on the terms of the contract.

Non-Convertible Redeemable Preference Shares (NCRPS) are separated into liability and equity components based on the terms of the contract. On issuance of the NCRPS, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption.

This has resulted in increase in Financial liability of Company by Rs 349.03/- Lacs with corresponding decrease in value of equity as at the date of transition and Rs further addition of Rs 24.43/- Lacs on account of EIR led to total Financial liability increase amounting to Rs 373.46/- Lacs as at 31.03.2019.

G Investment Property

Under IGAAP, there is no distinction between investment property, Investments and other Tangible Assets. Under Ind AS, investment property is distinguished from Property, Plant & equipment & Investments. An investment property is the property that the firm owns for earning rental income, earning capital gains or both. The company has adopted cost model for its valuation.

The effect of this transition led to transfer of Rs 6.48/- Lacs as Investment Property from Investments.

32 The financials statements has been approved by the Board on 30th July, 2020.

33 The outbreak of COVID-19 pandemic globally and in India has severely impacted businesses and economies. Though there has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic but is not materially impacting financial position of the company. The Company's offices were shut post announcement of nationwide lockdown. Most of the operations have resumed post lifting of lockdown. The Company has considered external and internal information in assessing the impact of COVID - 19 on various elements of its financial statements, including recoverability of its Financial assets as at the Balance Sheet date.

34 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current years classification disclosure.

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:			
Category	Amount net of provisions (as on 31.03.2020)		Amount (in Lacs)
	Secured	Unsecured	
1. Related Parties	NIL	NIL	NIL
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the Same Group	NIL	NIL	NIL
(c) Other related Parties	NIL	200.00	200.00
2. Other than Related Parties	NIL	215.00	215.00
Total	NIL	415.00	415.00

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	3,339.09	458.24
2. Other than related parties	739.28	226.16
Total	4,078.36	684.40

(7) Other Information		
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 Bhala & Bhala,
Chartered Accountants
Firm Registration Number : 021008N


Ashish Bhala
(Partner)
M.No : 508902



Place : Delhi
Date : 30.07.2020

UDIN: 20508902AAAAABC6619

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


Nishant Goyal
(Whole Time Director)
DIN : 08153024


Bharti
(Company Secretary)
M No. A34492




Vicky Kumar
(Director)
DIN: 08248219


Umesh Kumar Gupta
(CFO)

