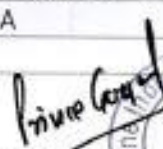


FORM A

FOR AUDIT REPORT WITH UNMODIFIED OPINION

Pursuant to Clause d of Sub Regulation (3) of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

1.	Name of the Company	Fortune Industrial Resources Limited
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> march, 2017
3.	Type of Audit Observations	Unqualified
4.	Frequency of Audit Observations	NA
5.	To be signed by:-	
6.	Managing Director	  Mr. Prince Goyal Managing Director DIN:00954215
7.	Chief Financial Officer	  Umesh Kumar Gupta PAN: AHYPG9308A
8.	Auditor of the Company	For Kamal & Company   Mr. Kamal Kishore Gupta Chartered accountant Mem. No. 012738
9.	Audit Committee Chairperson	  Mr. Paragaj Gupta DIN: 07656139

For Fortune Industrial Resources Limited

  
  
 Prince Goyal  
 Managing Director  
 DIN:00954215



# Fortune Industrial Resources Limited

## Notice of 31<sup>st</sup> AGM

I look forward to welcoming you at 31<sup>st</sup> Annual General Meeting of Fortune Industrial Resources Limited ("FIRL"). The business of the meeting comprises resolutions that we regularly bring to Shareholders.

This year's Annual General Meeting (AGM) will be held at 153/1, Nirankari Colony, New Delhi-110009 on Monday, 10<sup>th</sup> July, 2017 at 10.00 am. You will be asked to consider and pass the resolutions below. All resolutions viz- No. 1 to 4 will be proposed as ordinary resolutions. This means that for each of the resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

### **ORDINARY BUSINESS:**

**Resolution 1:** To receive, consider and adopt the AUDITED FINANCIAL RESULTS for the financial year ended on 31st March, 2017 and Reports of the Board of Directors and the Auditors thereon.

**Resolution 2:** To appoint Mr. Sanjeev Agrawal (DIN:00282059) as Director retire by rotation

**Resolution 3:** To ratify the appointment of M/s Bhala & Bhala, Statutory Auditors of the Company

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Bhala & Bhala, Chartered Accountants, be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. Kamal & Co., Chartered Accountants (FRN 001033N), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

### **SPECIAL BUSINESS:**

**Resolution 4:** Appointment of Mr. Pankaj Gupta (DIN:07656139) as Independent Director of the Company

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



\*RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 of SEBI(Listing Obligation And Disclosure Requirement) Regulation, 2015, Mr. Pankaj Gupta (DIN:07656139), who was appointed as an Additional Independent Director on 14<sup>th</sup> November, 2016 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office is not liable to retire by rotation for a term of five years commencing from 14<sup>th</sup> November, 2016 to 13<sup>th</sup> November, 2021.\*

For and on behalf of Board of directors



Prince Goyal

Managing Director

DIN:00954215

Add:A-48, Chander Nagar

Ghaziabad, Sahibabad

Uttarpradesh-201001

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi

## Important information about the AGM (NOTES)

### HOW TO VOTE AND ATTEND

Your votes matter. If you cannot attend, please vote your shares by appointing a proxy. You can vote online at [www.evotingindia.com](http://www.evotingindia.com). Fortune Industrial Resources Limited ("hereinafter referred to as "FIRL") is accessible on public transport via Metro and Autos. This year AGM will be held at 153/1, Nirankari Colony, New Delhi-110009.

Please bring your attendance sheet and check the notes to see what documentation will be required and See the map.

To be entitled to attend and vote at the annual general meeting (AGM) and for the purpose of the determination by the Company of the votes they may cast, shareholders must be registered in the register of members of the Company as on 3<sup>rd</sup> July, 2017. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Share Transfer Books and Register of Members will remain closed from 4<sup>th</sup> July, 2017 to 10<sup>th</sup> July, 2017.

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

### ASKING A QUESTION AT THE AGM:

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

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

### APPOINTING A PROXY

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

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



### **JOINT HOLDERS**

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

### **CORPORATE REPRESENTATIVES**

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

### **QUERIES**

If you have any queries please contact the Company Secretary, Manisha Chadha, 153/1, Nirankari Colony, New Delhi-110009. In all correspondence with the Company, members are requested to quote their account/folio numbers. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.

### **REGISTERS**

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

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

### **E VOTING**

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

Members holding shares in physical form are requested to intimate change in their address, if any, immediately to the Company's Registrar and Share Transfer Agent i.e. M/s MAS Services Limited at T\_34, 2nd Floor, Okhla Industrial Area, Phase – II, New Delhi-110020. e\_mail: info@masserv.com, website:www.masserv.com. MAS Services Limited is also depository interface of the Company with both NSDL and CDSL. The Company or Registrar can not act on any request received directly from Shareholders holding shares in demat form for any change of Bank particulars.

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44(1) of SEBI(Listing Obligation And Disclosure Requirement)Regulation, 2015, the Company is pleased to provide the facility to Members to exercise their vote on the resolution proposed to be passed at AGM by electronic means. The members, whose names appear in the Register of Members/list of beneficial owner as on 3<sup>rd</sup> July, 2017 are entitled to vote on the resolutions set forth in the notice. The members may cast their votes on electronic voting system from place other than venue of the meeting.

The e\_voting period commences on 7<sup>th</sup> July, 2017 at (9.00 am) and ends on 9<sup>th</sup> July, 2017 (05.00 pm). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut off date (record date) 3<sup>rd</sup> July, 2017, may cast their vote electronically. The e\_voting module schedule shall be disabled by NSDL for voting thereafter.

The voting right of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut off date (record date) of 3<sup>rd</sup> July, 2017.


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

The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, therefore unblock the votes cast through remote e\_voting in the presence of atleast two witness not in the employment of the Company and make not later than 48 hours of conclusion of the meeting a consolidated Report to the Chairman or the person authorised by him and shall be placed on the Website of NSDL and of the Company within 2 days of passing of resolutions at the AGM of the Company. The listed entity shall submit to the stock exchange, within forty eight hours of conclusion of its General Meeting, details regarding the voting results, i.e. till 12<sup>th</sup> July, 2017.

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

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

For and on behalf of Board of directors

  
Prince Goyal  
Managing Director

DIN:00954215

Add:A-48, Chander Nagar  
Ghaziabad, Sahibabad  
Uttarpradesh-201001

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi



## EXPLANATORY STATEMENT

### Resolution No. 04 : Appointment of Mr. Pankaj Gupta as Independent Director of the Company

The Board of Directors of the Company had appointed Mr. Pankaj Gupta as an Additional Independent Director of the Company with effect from 14<sup>th</sup> November, 2016. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Pankaj Gupta shall hold office upto the date of forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years.

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

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

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

None of the directors or Key Managerial Personnel and their relative, except Mr. Pankaj Gupta are concerned or interested (financially or otherwise) in this resolution. The Board recommends the ordinary resolution set out at item no. 4 for the approval of members.

### ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

#### MR. PANKAJ GUPTA (DIN: 07656139)

DATE OF BIRTH- 27/08/1987

Mr. Pankaj Gupta assumed charge as the Additional Independent Director of the Company with effect from 14<sup>th</sup> November, 2016.

Mr. Pankaj Gupta has varied experience in Finance Matters. He is the Chairman of Audit Committee, Member of Nomination Committee and Internal Complaint Committee.

Directorship in other Companies as on 31.03.2017 - SAPTRISHI FINANCE LIMITED

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

% of Shares held in the Company- NIL

For and on behalf of Board of directors

  
Pooja Goyal  
Managing Director

DIN:00954215

Add:A-48, Chander Nagar

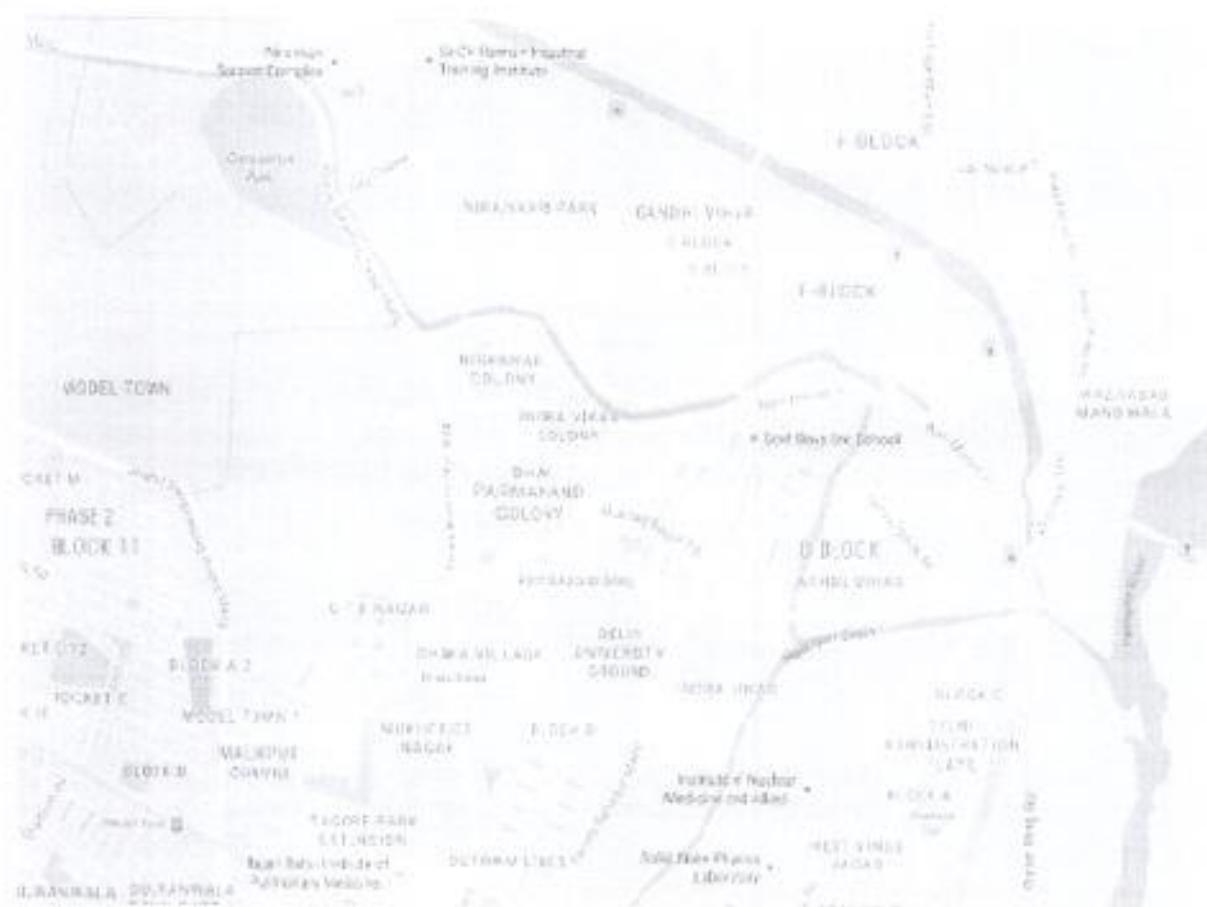
Ghaziabad, Sahibabad

Uttarpradesh-201001

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi

**TRANSPORT AND DIRECTIONS TO AGM LOCATION**  
**153/1, NIEANKARI COLONY, DELHI-110009**





# FORTUNE INDUSTRIAL RESOURCES LIMITED

Regd. Office:- 153/1, Nirankari Colony, New Delhi-110009. CIN: L51503DL1986PLC024329  
Tel. No.: 011-27603836, Fax: 011-27601718, E-mail: [hajaj\\_kk@yahoo.co.in](mailto:hajaj_kk@yahoo.co.in), Website: [www.firl.co.in](http://www.firl.co.in).

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## ELECTRONIC VOTING PARTICULARS

EVEN(Electronic Voting Event Number)	PASS ORD	USER ID	NO. OF SHARES

The e\_voting facility will be available during the following voting period:

Commencement of e_voting	7 <sup>th</sup> July, 2017 (9.00 am)
End of e_voting	9 <sup>th</sup> July, 2017 (5.00 pm)

The cut\_off date (i.e. the record date) for the purpose of e-voting is 3<sup>rd</sup> July, 2017

----- TEAR HERE -----

# FORTUNE INDUSTRIAL RESOURCES LIMITED

Regd. Office:- 153/1, Nirankari Colony, New Delhi-110009. CIN: L51503DL1986PLC024329  
Tel. No.: 011-27603836, Fax: 011-27601718, E-mail: [hajaj\\_kk@yahoo.co.in](mailto:hajaj_kk@yahoo.co.in), Website: [www.firl.co.in](http://www.firl.co.in).

## ATTENDANCE SLIP

I/We hereby record my presence at the 31<sup>st</sup> Annual General Meeting on Monday, 10<sup>th</sup> July, 2017 at 153/1, Nirankari Colony, Delhi-110009 at 10.00 am

Name of the Shareholders or Proxy (In Block Letters)

No. of Shares Held

Regd. Folio No./DPID\_CLID

(Member's/Proxy's Signature)

Member's/Proxy's name in Block Letters

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

## REMOTE E VOTING

The procedure and instructions for e\_voting as given in the Notice of the 31<sup>st</sup> Annual General Meeting are again reproduced hereunder for easy reference:

- I. In case of Members receiving e\_mail from NSDL (For those members whose e\_mail addresses are registered with Company/Depositories):
  - a. Open e\_mail and open PDF file viz. "FIRL\_remote e\_Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e\_voting. Please note that the password is an initial password.
  - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
  - c. Click on Shareholder\_Login.
  - d. Put user ID and password as initial password noted in step (i) above. Click Login.
  - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - f. Home page of remote e\_voting opens. Click on remote e\_voting: Active Voting Cycles.
  - g. Select "EVEN" of "Fortune Industrial Resources Limited".
  - h. Now you are ready for remote e\_voting as Cast Vote page opens.
  - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e\_mail to [bajaj\\_kk@yahoo.co.in](mailto:bajaj_kk@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- II. In case of Members receiving Physical copy of Notice of 31<sup>st</sup> Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)
  - a. Initial password is provided in the box overleaf.
  - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
  - A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e\_voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 222 990. If you are already registered with NSDL for remote e\_voting then you can use your existing user ID and password/PIN for casting your vote.
  - C. You can also update your mobile number and e\_mail id in the user profile details of the folio which may be used for sending future communication(s).
  - D. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut\_off date of 3<sup>rd</sup> July, 2017.
  - E. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut\_off date i.e. 3<sup>rd</sup> July, 2017, may also obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e\_voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800 222 990.

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

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

H. Mrs. Shipra Khitha, Practicing Company Secretary, Proprietor of M/s Shipra Khitha & Associates, a practicing company secretaries firm, as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

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

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

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



# FORTUNE INDUSTRIAL RESOURCES LIMITED

Regd. Office:- 153/1, Nirankari Colony, New Delhi-110009, CIN: L51503DL1986PLC024329  
Tel. No.: 011-27603836, Fax: 011-27601718, E-mail: [hujaj\\_kk@yahoo.co.in](mailto:hujaj_kk@yahoo.co.in), Website: [www.firl.co.in](http://www.firl.co.in)

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

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

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

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the company, to be held on the 10<sup>th</sup> July, 2017, Monday at 10.00 am at 153/1, Nirankari Colony, Delhi-110009 is situated nearby) and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO.	Resolution(S)	Consent/Dissent	
ORDINARY BUSINESS:			
1.	To receive, consider and adopt the audited financial results for the financial year ended on 31st March, 2017 and Reports of the Board of Directors and the Auditors thereon.		
2.	To appoint Mr. Sanjeev Agrawal as Director retire by rotation		
3.	<p>To ratify the appointment of M/s Bhala &amp; Bhala, Statutory Auditors of the Company</p> <p><b>"RESOLVED THAT</b> pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Bhala &amp; Bhala, Chartered Accountants, be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. Kamal &amp; Co., Chartered Accountants (FRN 001033N), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."</p>		
SPECIAL BUSINESS:			

4.	<p>Appointment of Mr. Pankaj Gupta as Independent Director of the Company</p> <p>"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 of SEBI(Listing Obligation And Disclosure Requirement) Regulation, 2015, Mr. Pankaj Gupta (DIN:07656139), who was appointed as an Additional Independent Director on 14<sup>th</sup> November, 2016 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office is not liable to retire by rotation for a term of five years commencing from 14<sup>th</sup> November, 2016 to 13<sup>th</sup> November, 2021."</p>	
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Signed this \_\_\_\_ day of \_\_\_\_ 20\_\_

Signature of Shareholder

Signature of Proxy holder

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



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## DIRECTORS' REPORT

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I believe that nothing can be greater than a business, however small it may be, that is governed by conscience; and that nothing can be meaner or more petty than a business, however large, governed without honesty and without brotherhood."

-William Hesketh Lever

The Dear Members,

Your Directors have immense pleasure in presenting this 31<sup>st</sup> Annual Report on the business and operation of the company together with Audited Statement of Accounts of the Company for the year ended 31st March, 2017.

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

#### SUBSIDIARY COMPANIES - MONITORING FRAMEWORK

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

**AMOUNT TRANSFERRED TO RESERVES:** During the year under review, the company has not transferred amount to the reserves of the Company.

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

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

**DISCLOSURE OF ACCOUNTING TREATMENT:** In the preparation of financial statements, any treatment different from that prescribed in an Accounting Standard has not been followed.

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

**CORPORATE GOVERNANCE:** The Company has in place the SEBI Regulations pertaining to corporate governance. During the year under consideration, the Company had Four member Board of Directors consisting of two Non Executive Independent Directors, One Non Executive Non Independent Director and One Managing Director. Mr. Mukul Chowdhary and Ms. Divya Sharma resigned during the year. Mr. Arvind Rawal appointed and resigned from the Board during the year. Ms. Anjali Mishra has been appointed as Additional Director on 2<sup>nd</sup> September, 2016 and regularized at Annual General Meeting on held 30<sup>th</sup> September, 2016. Mr. Pankaj Gupta has been appointed as Additional Independent Director on 14<sup>th</sup> November, 2016.

The Managing Director does not receive sitting fee for attending meetings of Board or any Committee thereof.

The Corporate Governance Report for the Financial year ended 31<sup>st</sup> march, 2017 giving the details as required under Regulation 34(3) read with Clause C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is given separately as Annexure-II.

The Corporate Governance Certificate for the financial year ended 31<sup>st</sup> March, 2017 issued by Kamal & Company, Statutory Auditor of the Company is annexed as Annexure-III

Mr. Prince Goyal, Managing Director and Mr. Umesh Kumar Gupta, Chief Financial Officer of the Company, have given their certificate under Regulation 17(8) read with part B of Schedule II of SEBI (LODR) regarding Annual Financial Statements for the financial year ended 31<sup>st</sup> March, 2017 which is annexed as Annexure IV

The Managing Director has given certificate under Regulation 34(3) of SEBI-LODR read with part D of Schedule V of SEBI-LODR regarding compliance with the Code of conducts of the Company for the financial year ended 31<sup>st</sup> March, 2017 which is attached as Annexure-V

**SECRETARIAL AND INTERNAL AUDIT:** During the year Secretarial Audit was carried out by M/s Shipra Khitha & Associates and Internal Audit was by Gaurav A. Jain & Associates. Secretarial Audit Report is enclosed as Annexure-IX. For conduction of Secretarial Audit for the Financial Year ended 31<sup>st</sup> March, 2018 M/s Shipra Khitha & Associates, practicing Company Secretaries has been appointed as Secretarial Auditor in accordance with the Section 204 of the Companies Act, 2013 and For conduction of Internal Audit for Financial Year ended 31<sup>st</sup> March, 2018, the Company has appointed M/s B N Das & Associates as Internal Auditor of the Company.

**STATUTORY AUDITOR:** As per Rule 3 of Company(Audit And Auditors) Rules, 2014 readwith Section 139 of Companies Act, 2013M/s Kamal & Co, Chartered Accountants, had completed its tenure as Statutory Auditors of the Company . In context of above there occurred in a casual vacancy of Statutory Auditor due to completion of tenure of M/s Kamal & Company, existing Auditor. M/s Bhala & Bhala, Chartered Accountants have submitted consent letter and eligibility Certificate in his regard and their appointment is subject to ratification by members at ensuing Annual General Meeting.

**STATEMENT OF PARTICULARS OF EMPLOYEES:** None of the employee drew Rs. 5,00,000 or more per month and Rs. 60,00,000 or more per annum. None of the top ten employees drew remuneration of Rs. 10200000/- or more per annum or Rs. 850000/- or more per month during the financial year 2016-17. Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure VI to this Report

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

**DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:** The Statutory Auditors of the Company has not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.



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

**DIRECTORS' RESPONSIBILITY STATEMENT:** The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134 (3) (c) read with section 134(5) of Companies Act, 2013 and provisions of SEBI(Listing Obligation And Disclosure Requirement)Regulations, 2015 and in preparation of annual accounts for the financial year ended 31<sup>st</sup> March, 2017 and state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :** Particulars with respect to conservation of energy, technology absorption and foreign exchange earning and outgo as are required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 are not applicable on the Company.

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

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

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

APPRECIATION: Your Directors record their sincere appreciation of the dedication and commitment of all employees in achieving and sustaining excellence in all areas of business. Your directors thank the shareholders, customers, suppliers and bankers and other stakeholders for their continuous to the Company.

For Fortune Industrial Resources Limited

For Fortune Industrial Resources Limited

Prince Goyal  Director/Authorised Signatory

Managing Director


DIN:00954215

Add:A-48, Chander Nagar

Ghaziabad, Sahibabad

Uttarpradesh-201001

For Fortune Industrial Resources Limited

Sanjeev Agrawal 

Director

Director/Authorised Signatory

DIN:02820259

Add: A, Maharaja Lal

Lane, Civil Lines, Delhi-

110054

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi



ANNEXURE FORMING PART OF BOARD REPORT

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

ANNEXURE	PARTICULARS
I	Management Discussion and Analysis Report
II	Corporate Governance Report
III	Certificate from Statutory Auditor on Corporate Governance Report
IV	Managing Director's Certificate under Regulation 34(3) read with part D of Schedule v of SEBI-LODR on compliance with Codes of conduct
V	Certificate from CEO and CFO- pursuant to Regulation 17(8) of SEBI(Listing Obligation and Disclosure Requirement)Regulation, 2015
VI	Particulars of Employees pursuant to Section 134(3)(q) of the Companies Act, 2013
VII	Statement on declaration by Independent Director
VIII	Extract of Annual Return- MGT-9
IX	Secretarial Audit Report

## ANNEXURE-I

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

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

**FINANCIAL RESULTS (highlights):** Financial results of the Company for the year under review are summarized as below pursuant to Section 129(3) read with Companies (Accounts) Rules, 2014:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Total Income	262,088	759,494
Less: Total Expenditure	649,472	757,777
Profit / (Loss) before Tax	(387,384)	1717
Less: Provision for Income tax	-	531
Profit for the period	(784,760)	(196,268)
Contribution of Statutory Reserve	-	343
Profit / (Loss) After Tax	(784,760)	(196,611)

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

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

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

**PERFORMANCE REVIEW:** During the year under review, the Company has generated net loss of Rs. 784,760 as compared to the net loss of Rs. 196,611 in the previous year. Your directors are continuously looking for avenues for future growth of the Company in its business operations.

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

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

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:** Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls the Company has laid down the



following measures the Company has a well placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly.

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

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

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

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

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

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

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

For Fortune Industrial Resources Limited

For Fortune Industrial Resources Limited

Prince Goyal  
Managing Director  
DIN:00954215  
Add:A-48, Chander Nagar  
Ghaziabad, Sahibabad  
Uttarpradesh-201001

For Fortune Industrial Resources Limited

Sanjeev Agrawal  
Director  
DIN:02820259  
Add: A, Maharaja Lal  
Lane, Civil Lines,  
Delhi-110054

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi

This Corporate Governance Report relating to the year ended 31<sup>st</sup> March, 2017 has been issued in compliance with the requirement of Regulation 34(3) read with Clause C of Schedule V of SEBI(Listing Obligations and Disclosure Requirements)Regulation, 2015 and forms a part of the Report of Board of Directors to the members of the Company.

## PHILOSOPHY ON CODE OF GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

### I. BOARD OF DIRECTORS

#### BOARD'S COMPOSITION AND CATEGORY

During the year, Mr. Mukul Chowdhary and Ms. Divya Sharma have resigned from the Board on 2<sup>nd</sup> September, 2016 and Ms. Anjali Mishra, Mr. Arvind Rawal and Mr. Pankaj Gupta have been appointed as Independent Director of the Company. Mr. Arvind Rawal has resigned from the Board during the year only.

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years, but shall be eligible for re-appointment on passing of a special resolution by the Company and shall not be liable to retire by rotation. Mr. Sanjeev Agrawal, Non Executive Director will retire at the ensuing Annual General Meeting and being eligible, offer himself for re-election.

Independent Directors of your Company have affirmed compliance with Codes of conduct of the Company and the Codes for Independent Directors mentioned in Schedule IV of the Companies Act, 2013. Independent Directors have given declaration of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013 and that they do not disqualified to act as Independent Director. Statement on declaration is also annexed as **Annexure-VIII**

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

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

The Board composition is in conformity with relevant provisions of Companies Act, 2013 and requirement of Securities and Exchange Board of India (SEBI) guidelines as amended.

The present strength of Board is four Directors comprising one Executive Director viz Managing Director and three Non-Executive Directors. None of the Directors on the Board is a member on more than 10 Committees and Chairman in more than 5 Committees. Committees include Audit Committee and Nomination & Remuneration Committee.



The details relating to Composition & Category of Directors, Directorships held by them in other Companies and their membership and chairmanship on various Committees of Board of other Companies, as on 31<sup>st</sup> March, 2017 is as follows:

#### CLASSIFICATION OF BOARD

CATEGORY	No. OF DIRECTORS	% OF TOTAL NO. OF DIRECTORS
Executive Directors	1	25
Non Executive Independent Directors(including Woman Director)	2	50
Non Executive Director	1	25
Total	4	100.00

#### COMPOSITION AND DIRECTORSHIP (S)/COMMITTEE MEMBERSHIP(S)/CHAIRMANSHIP(S) AS ON 31<sup>ST</sup> MARCH, 2017

Name	Date of Joining on the Board	Directorship in other Companies#	Membership(s) of the Committees of other Companies##	Chairmanship of the Committees of other Companies##
Managing Director Prince Goyal	14.08.2014 (Regularised on 30.09.2014)	12	NIL	NIL
Non-Executive Director Sanjeev Agrawal	15.02.2010 Regularised on 30.09.2010	13	NIL	NIL
Independent Director Mr. Mukul Chowdhary	10.06.2013 Change in designation 30.09.2014 Resigned on 02.09.2016	1	NIL	NIL
Independent Director Ms. Divya Sharma	08.10.2012 Change in designation 30.09.2014 Resigned on 02.09.2016	1	NIL	NIL
Independent Director Mr. Arvind Rawal	02.09.2016 Change in designation 30.09.2016 Resigned on 15.11.2016	1	NIL	NIL
Independent Director Ms. Anjali Mishra	02.09.2016 Change in designation 30.09.2016	1	NIL	NIL
Independent Director Mr. Pankaj Gupta	14.11.2016	1	NIL	NIL

#Foreign Companies, Alternate Directorships and Companies under Section 8 of the Companies Act, 2013 are excluded for the above purpose.

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

## **DISCLOSURE OF RELATIONSHIP OF DIRECTORS INTERSE**

None of the Directors have any pecuniary relationship interse.

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

Minimum four prescheduled Board Meetings are held every year. The Company had 5 Board Meetings during the financial year under review.

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

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Delhi.

During the Financial Year ended 31st March, 2017, Five Board meetings were held on 14<sup>th</sup> May, 2016, 10<sup>th</sup> June, 2016, 2<sup>nd</sup> September, 2016, 14<sup>th</sup> November, 2016 and 11<sup>th</sup> February, 2017. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of the Listing Regulations and Secretarial Standards.

## **SEPARATE INDEPENDENT DIRECTORS' MEETINGS**

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

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

In addition to these formal meetings, interactions outside the Board meetings also take place between the Independent Directors. For the financial year ended 31<sup>st</sup> March, 2017 the meeting was held on 11<sup>th</sup> February, 2017.

## **DIRECTORS' INDUCTION AND FAMILIARIZATION**

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

The induction process is designed to:

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

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

The details of Director's induction and familiarization are available on the Company's website at <http://www.firl.co.in/investors>



## **BOARD MEMBERSHIP CRITERIA**

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

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

## **CONSTITUTION OF COMMITTEES**

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

### **AUDIT COMMITTEE**

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

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

#### **Audit Committee Composition**

Mr. Pankaj Gupta - Chairman  
Mr. Sanjeev Agrawal - Member  
Ms. Anjali Mishra- Member

### **TERM OF REFERENCE**

Term of Reference of Audit Committee cover all the areas mentioned under Section 177 of the Companies Act, 2013 and Regulation 18 read with part C of Schedule II of SEBI(Listing Obligation and Disclosure Requirements)Regulation, 2015

All the members of the Committee have relevant experience in financial matters.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

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

and Internal Auditor, the adequacy of internal control systems; recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company; reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues; evaluating internal financial controls and risk management systems; valuating undertaking or assets of the Company, wherever it is necessary; reviewing the functioning of the Whistle Blowing Mechanism; The Audit Committee also reviews the functioning of the Code of Business Principles and Whistle Blower Policy of the Company and cases reported thereunder.

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

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board.

The Audit Committee met three times during the Financial Year ended 31st March, 2017 on 2<sup>nd</sup> September, 2016, 14<sup>th</sup> November, 2016 and 11<sup>th</sup> February, 2017.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises,

##### **Nomination Committee composition**

Ms. Anjali Mishra- Chairperson

Mr. Pankaj Gupta - Member

Mr. Sanjeev Agrawal- Member

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

#### **TERM OF REFERENCE**

The role of Nomination and Remuneration Committee is as follows:

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

The Nomination Committee met two times during the Financial Year ended 31st March, 2017 on 2<sup>nd</sup> September, 2016, 14<sup>th</sup> November, 2016.

#### **APPOINTMENT AND TENURE**

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



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

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

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

#### **BOARD EVALUATION**

The participation, attendance and contribution of Independent Directors not only during the proceeding of meeting but also beyond meeting hours were appreciated. The knowledge, experience and advice shared by the Independent Directors from time to time have ensured governance and good conduct, adherence to laws, mitigating risks and growth even during these difficult business environment. The overall outcome from the evaluation was that the Board and its individual directors were performing effectively.

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

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

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

Name	Designation	No. of Shares Held AS ON 31.03.2017
Mr. Sanjeev Agrawal	Non Executive Director	420500 (42.05 %)
Mr. Prince Goyal	Managing Director	NIL
Ms. Anjali Mishra	Independent Director	NIL
Mr. Pankaj Gupta	Independent Director	NIL

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

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

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

The following table shows attendance of Directors at the Board and Committee meeting(s) for the year ended 31st March, 2017. Attendance is presented as number of meeting(s) attended, (including meetings attended through electronic mode) out of the number of meeting(s) required to be attended.

Name	Board Meeting	Audit Committee	Nomination and Remuneration Committee	Separate meeting of Independent Directors 11.02.2017	Whether attended AGM 2016
Mr. Sanjeev Agrawal	5 of 5	NA	NA	NA	YES
Mr. Prince Goyal	5 of 5	NA	NA	NA	YES
Ms. Divya Sharma	3 of 3	1 of 1	1 of 1	NA	NA
Mr. Mukul Chowdhary	3 of 3	1 of 1	1 of 1	NA	NA
Mr. Arvind Rawal	2 of 2	2 of 2	2 of 2	NA	YES
Ms. Anjali Mishra	3 of 3	3 of 3	2 of 2	YES	YES
Mr. Pankaj Gupta	1 of 1	1 of 1	1 of 1	YES	NA

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

In accordance with the requirement of Corporate Governance, the Board of Directors of the Company has formulated a code of conduct for Directors and Senior Management of the Company, the Compliance of which have been affirmed by all Board Members and Senior Management of the Company. The required declaration to this effect signed by CEO, i.e. Managing Director is appended as a separate Annexure to this report as **Annexure-VII**

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

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

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

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

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

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

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

#### **ADOPTION OF DISCRETIONARY REQUIREMENTS**

##### **1) Maintenance of the Chairman's Office**

The Company maintains the office of Non-Executive Chairman and provides for reimbursement of expenses incurred in performance of his duties.



## 2) Modified opinion(s) in Audit Report

The Auditors have raised no qualifications on the financial statements of the Company.

## 3) Reporting of Internal Auditors

The Internal Auditors of the Company report directly to the Audit Committee.

As the Company was unlisted Public Company, with reference to application submitted to the Metropolitan Stock Exchange of India Limited for grant of listing approval for 10,00,000 Equity Shares of Rs. 10/- each, the Equity Shares of the Company are listed and admitted to dealings on the Exchange w.e.f. July 27, 2016 vide notice number MSEI/LIST/4369/20LG dated July 25, 2016.

## COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

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

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

## DETAILS OF COMPLAINTS RECEIVED FROM SHAREHOLDERS:

No. of Complaints Remaining unresolved as on 01.04.2016	NIL
No. of Complaints received during the year	NIL
No. of Complaints resolved during the year	NIL
No. of complaints unresolved as on 31.03.2017	NIL

## INSIDER TRADING CODE:

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

## EQUITY SHARES LISTING

## POLICIES OF THE COMPANY

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

NAME OF THE POLICY	BRIEF DESCRIPTION	WEBLINK
WHISTLE BLOWER MECHANISM(POLICY ON VIGIL MECHANISM)	The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the	<a href="http://www.firl.co.in/investors">http://www.firl.co.in/investors</a>

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



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

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

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

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

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

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

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

## **MEANS OF COMMUNICATION**

**Quarterly Financial Results:** Quarterly financial results; press releases etc. are circulated to the Stock Exchange Limited, where the equity shares of the Company are listed. The financial results-quarterly, half yearly and annual results and other statutory information are communicated to the shareholders by way of advertisement in an English newspaper and in a vernacular language newspaper viz Naya India, Financial Express

The quarterly approved results are displayed on website of Stock Exchange and on the website of the Company i.e <http://www.firl.co.in/investors>

## **GENERAL SHAREHOLDERS' INFORMATION**

### **AGM FOR FINANCIAL YEAR 2016-17**

Date and Time	10 <sup>th</sup> July, 2017
Venue	153/1, Nirankari Colony, Delhi-110009
Time	10.00 am

### **GENERAL BODY MEETINGS**

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

Financial year ended	Venue	Date & Time	Special Resolution Passed
31 <sup>st</sup> March, 2016	153/1, Nirankari Colony, Delhi-110009	30.09.2016 10.00 AM	NA
31 <sup>st</sup> March, 2015	153/1, Nirankari Colony, Delhi-110009	30.09.2015 10.00 A.M.	NA
31 <sup>st</sup> March, 2014	153/1, Nirankari Colony, Delhi-110009	30.09.2014 10.00 A.M.	NA

During the period, one Extra-Ordinary General Meetings of the Company was held on 30<sup>th</sup> June, 2016.

#### **PLEDGE OF SHARES:**

No pledge has been created over the Equity Shares held by the promoters as on 31<sup>st</sup> March, 2017. The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

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

#### **CALENDAR OF FINANCIAL YEAR ENDED 31ST MARCH, 2017**

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year ended 31<sup>st</sup> March, 2017 were held on the following date:

First Quarter Results	14 <sup>th</sup> May, 2016
Second Quarter and Half yearly Results	2 <sup>nd</sup> September, 2016
Third Quarter Results	14 <sup>th</sup> November, 2016
Fourth Quarter and Annual Results	11 <sup>th</sup> February, 2017
Book Closure date	4 <sup>th</sup> July, 2017 to 10 <sup>th</sup> July, 2017
Cut Off date	3 <sup>rd</sup> July, 2017
E voting	7 <sup>th</sup> July, 2017 to 9 <sup>th</sup> July, 2017
Scrutinizer for E Voting	Shipra Khitha & Associates

#### **ADDRESS FOR CORRESPONDENCE**

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

Ms. Manisha Chadha Registered Office: 153/1, Nirankari Colony, New Delhi-110009 Tel. No.: 011-27603836, Fax: 011-27601718 E-mail: manishachadha81@gmail.com	<b>Registrar and Transfer Agent</b> <b>MAS Services Limited</b> T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020 Ph: - 26387281/82/83 Email: - info@masserv.com Website: www.masserv.com Fax :- 26387384
Last date of receiving Proxy forms:	7 <sup>th</sup> July, 2017



## Market Information

### i) SHARE TRANSFER SYSTEM

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

### ii) DEMATERIALIZATION OF SHARES AND LIQUIDITY

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

Shares held in dematerialized form in CDSL	616300	61.63%
Shares held in dematerialized form held in NSDL	-	-
Physical	383700	38.37%
<b>TOTAL</b>	<b>1000000</b>	<b>100.00%</b>

### iii) DEMATERIALIZATION OF SHARES - PROCESS

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant (DP).
- Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is **MASS SERVICES LIMITED**.
- RTA will process the DRF and confirm or reject the request to DP/ Depositories.
- Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

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

### ELECTRONIC VOTING:

Pursuant to Section 108 of the Companies Act, 2013, Companies (Management and Administration) Rules, 2014 and as per Listing Regulation, the e-voting facility will be provided to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings or through Postal Ballot. The Company shall utilize the service of NSDL to provide e-voting platform, which is in compliance with the conditions specified by the Ministry of Corporate Affairs, Government of India, from time to time and also mention the Internet Link of such e-voting platform in the notice to the shareholders.

### iv) NOMINATION FACILITY FOR SHAREHOLDING

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the

Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

**v) PERMANENT ACCOUNT NUMBER (PAN)**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates. The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2017, is given

**Distribution of Shareholding as on March 31, 2017: BY SIZE**

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

**Top Ten Shareholders as on 31<sup>st</sup> March, 2017**

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

**Categories of Shareholder as on: 31<sup>st</sup> March, 2017**

S. NO.	CATEGORY	NO. OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDING
1.	Promoter company	NIL	NIL	NIL
2.	Promoter Individual/HUF	3	616300	61.63
3.	Directors	NIL	NIL	NIL
4.	Directors relative	NIL	NIL	NIL
5.	Mutual fund	NIL	NIL	NIL



6.	Foreign institutional investors	NIL	NIL	NIL
7.	Financial institutions	NIL	NIL	NIL
8.	Central govt./state govt.	NIL	NIL	NIL
9.	NRI	NIL	NIL	NIL
10.	Banks	NIL	NIL	NIL
11.	Resident Individuals			
	holding nominal share capital upto Rs. 1 lakh	99	189300	18.93
	holding nominal share capital in excess of Rs. 1 lakh		146400	14.61
12.	Overseas Body Corporate	NIL	NIL	NIL
13.	Trust	NIL	NIL	NIL
14.	Others	1	48000	4.80
	<b>TOTAL</b>	<b>103</b>	<b>1000000</b>	<b>100.00</b>

**vi) OUTSTANDING GDRs/ ADRs/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

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

**vii) DISCLOSURES AND INFORMATION**

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

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

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

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

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

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

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

For Fortune Industrial Resources Limited

For Fortune Industrial Resources Limited

Prince Goyal  
Managing Director

DIN:00954215

Add: A-48, Chander

Nagar

Ghaziabad,

Sahibabad

Uttarpradesh-201001

Sanjeev Agrawal  
Director

DIN:02820259

Add: A, Maharaja Lal

Lane, Civil Lines,

Delhi-110054

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi



## **Kamal & Co.**

CHARTERED ACCOUNTANTS  
1372, Kashmere Gate, Delhi-110006  
Phones : 23957796, 23960247, 23940661  
Fax : 011-23926325

### **Annexure-III** **CERTIFICATE ON CORPORATE GOVERNANCE**

#### **The Members**

**Fortune Industrial resources Limited**  
**153/1, Nirankari Colony, Delhi-110009**

I have examined the Compliance of conditions of Corporate Governance by **Fortune Industrial resources Limited** ("the Company") for the year ended 31<sup>st</sup> March, 2017, in terms of requirement of Regulation 34(3) of SEBI(Listing Obligation And Disclosure Requirement)Regulation, 2015 read with other applicable provisions of law as and to the extent applicable during the aforesaid period.

The Compliance of conditions of corporate governance is the responsibility of management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an Audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and representation made by the Directors and Management, I certify that the Company has complied with, in all material respect, the conditions of Corporate Governance as stipulated in the said clause of above mentioned listing agreement/Regulation.

As required guidelines note issued by Institute of Chartered Accountants of India, I have to state that as per records maintained by the Company as on 31<sup>st</sup> March, 2017, there were no investor complaint/grievance unattended for a period more than 30 days against the Company.

I further state that such compliances in neither an assurance as to the future viability of Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Kamal & Company**

*Kamal Kishore*

**Chartered Accountants**  
**Membership No. 012738**

**Place: 1372, Kashmere Gate**  
**Delhi-110 006**



*Annexure-IV*

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

**DECLARATION**

To,

The Members

Fortune Industrial resources Limited

153/1, Nirankari Colony, Delhi-110009

In accordance with Regulation 34(3) READ WITH PART D OF SCHEDULE V OF SEBI(LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION, 2015, I hereby confirm that, all the directors and Senior Management personnel of the Company have affirmed compliance with the respective code of conducts, as applicable to them, for the financial year ended March 31, 2017.

By and on behalf of Board Of Directors

  
Prince Goyal  
Managing Director  
DIN: 00954215

Dated: 25.05.2017



Annexure-V  
CEO AND CFO CERTIFICATION

To,

The Members  
Fortune Industrial resources Limited  
153/1, Nirankari Colony  
Delhi-110009

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

A. We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31<sup>st</sup> March, 2017 and based on our knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

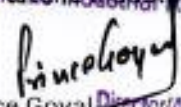
B. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibilities for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated whatever applicable to the Auditor and Audit Committee,

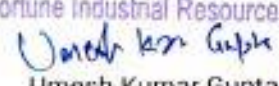
- (i) significant changes, if any, in the internal control over financial reporting during the year;
- (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For Fortune Industrial Resources Limited

  
Prince Goyal Director/Authorised Signatory

Managing Director  
DIN:00954215  
A-48, Chander Nagar, Ghaziabad, Sahibabad  
Uttarpradesh-201011

For Fortune Industrial Resources Limited

  
Umesh Kumar Gupta Director/Authorised Signatory

Chief Financial Officer (CFO)  
PAN: AHYPG9308A  
H. No. D-12/110, Street No. 12, Gamri Extn,  
North (East), New Delhi-110053

Dated: 25.05.2017

# ANNEXURE-VI

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

	Requirement of Rule 5(1)	Details
(i)	the ratio of remuneration of each director to the median remuneration of each employees of the Company for the financial year;	Mr. Sanjeev Agrawal-NA Mr. Mukul Chowdhary-NA Mr. Prince Goyal-NA Ms. Divya Sharma-NA Mr. Arvind Rawal-NA Ms. Anjali Mishra-NA Mr. Pankaj Gupta-NA
(ii)	The percentage increase in the remuneration of each director, chief Financial Officer, Chief Executive Officer, Company Secretary or manager, if any, in the financial year;	Mr. Sanjeev Agrawal-NA Mr. Mukul Chowdhary-NA Mr. Prince Goyal-NA Ms. Divya Sharma-NA Mr. Arvind Rawal-NA Ms. Anjali Mishra-NA Mr. Pankaj Gupta-NA Mr. Umesh Kumar Gupta-NA Ms. Manisha Chadha-NA
(iii)	The percentage increase in the median remuneration of employees in the financial year;	NA
(iv)	No. Of permanent employees on the rolls of the Company	Mr. Umesh Kumar Gupta Ms. Manisha Chadha
(viii)	Average percentile increase already made in the salaries of employees of the Company other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration	Salary increase of non managerial personnel- NA  Salary increase of managerial personnel- NA  There are no exceptional circumstances in increase in managerial personnel. Management person have availed of leave encashment during the year.
(X)	The Key parameters for any variable component of remuneration availed by the directors	There are no variable component in the Managing Director's Remuneration.
(xii)	Affirmation that remuneration is as per the policy of the Company	Remuneration paid during the year ended 31.03.2017 is as per the remuneration policy of the Company

For Fortune Industrial Resources Limited

For Fortune Industrial Resources Limited

Prince Goyal  
Managing Director  
DIN:00954215  
Add:A-48, Chander  
Nagar  
Ghaziabad, Sahibabad  
Uttarpradesh-201001

For Fortune Industrial Resources Limited

Sanjeev Agrawal  
Director/Authorised Signatory  
DIN:02828259  
Add: A, Maharaja Lal  
Lane, Civil Lines, Delhi-  
110054

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi



ANNEXURE-VII

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

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

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

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

For Fortune Industrial Resources Limited

For Fortune Industrial Resources Limited

Prince Goyal  
Managing Director  
DIN:00954215  
Add:A-48, Chander Nagar  
Ghaziabad, Sahibabad  
Uttarpradesh-201001

Director/Authorised Signatory

For Fortune Industrial Resources Limited

Sanjeev Agrawal  
Director  
DIN:02820259  
Add: A, Maharaja Lal  
Lane, Civil Lines, Delhi-  
110054

Director/Authorised Signatory

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi

# ANNEXURE-VIII

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2015

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

## I. REGISTRATION AND OTHER DETAILS:

S. No.	CIN	L51503DL1986PLC024329
1.	Registration Date	28/05/1986
2.	Name of the Company	Fortune Industrial resources Limited
3.	Category / Sub-Category of the Company	Company Limited by Shares
4.	Address of the Registered office and contact details	153/1, Nirankari Colony, New Delhi-110009 Contact: +011-27603836
5.	Whether listed company	Yes
6.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Mas Services Limited T-34, 2 <sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110020

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

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

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1.	NOT APPLICABLE				

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

### (i) Category-wise Share Holding

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



Public Shareholding	Demat	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares
<b>Institutions</b>								
Mutual Funds	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--
Central Govt	--	--	--	--	--	--	--	--
State Govt[s]	--	--	--	--	--	--	--	--
Venture Capital Funds	--	--	--	--	--	--	--	--
Insurance Companies	--	--	--	--	--	--	--	--
FIs	--	--	--	--	--	--	--	--
Foreign Venture Capital Funds	--	--	--	--	--	--	--	--
Others (specify)	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1)</b>	--	--	--	--	--	--	--	--
<b>2. Non Institutions</b>								
(a) Bodies Corp.								
(i) Indian	--	48000	48000	4.80	--	48000	48000	4.80
(ii) Overseas								
(b) Individuals								
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	189300	189300	18.39	--	189300	189300	18.39
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	--	146400	146400	14.64	--	146400	146400	14.64
(c) Others (Specify)	--	--	--	--	--	--	--	--
(c-i) Non-Resident Individuals	--	--	--	--	--	--	--	--
(c-ii) Directors	--	--	--	--	--	--	--	--
(c-iii) Clearing Members	--	--	--	--	--	--	--	--
<b>Sub-total (B)(2)</b>	--	383700	383700	38.37	--	383700	383700	38.37
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	--	383700	383700	38.37	--	383700	383700	38.37
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	616300	383700	1000000	100.00	616300	383700	1000000	100.00

• ii) Shareholding of Promoters

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

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NOT APPLICABLE			
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3.	At the End of the year				

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

Sr. no	For each of the top ten shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
	Mr. Mukesh Aggarwal	69200	6.92	69200	6.92
	Saphelle Trade Links Private Limited	48000	4.80	48000	4.80
	Om Prakash Verma	47000	4.70	47000	4.70
	Ashok Saxena	15000	1.50	15000	1.50
	Jeewan Das	9800	0.98	9800	0.98
	Mohit	8800	0.88	8800	0.88
	Hukumchand	8800	0.88	8800	0.88
	Rakesh	8700	0.87	8700	0.87
	Darshan Kumar	8600	0.86	8600	0.86
	Radhey Shyam	7800	0.78	7800	0.78
	Davinder Kapil	7500	0.75	7500	0.75
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	Mr. Mukesh Aggarwal				
	Saphelle Trade Links Private Limited				
	Om Prakash Verma	NIL	NIL	NIL	NIL
	Ashok Saxena				
	Jeewan Das				
	Mohit				
	Hukumchand				
	Rakesh				
	Darshan Kumar				
	Radhey Shyam				
	Davinder Kapil				
3.	At the End of the year ( or on the date of separation, if separated during the year)				
	Mr. Mukesh Aggarwal				
	Saphelle Trade Links Private Limited	69200	6.92	69200	6.92
	Om Prakash Verma	48000	4.80	48000	4.80
		47000	4.70	47000	4.70



Asbok Saxena	15000	1.50	15000	1.50
Jeewan Das	9800	0.98	9800	0.98
Mohit	8800	0.88	8800	0.88
Hukumchand	8800	0.88	8800	0.88
Rakesh	8700	0.87	8700	0.87
Darshan Kumar	8600	0.86	8600	0.86
Radhey Shyam	7800	0.78	7800	0.78
Davinder Kapil	7500	0.75	7500	0.75

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

Sr. no	For each of the directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
	1. Sanjeev Agrawal	420500	42.05	420500	42.05
	2. Prince Goyal	--	--	--	--
	3. Divya Sharma	--	--	--	--
	4. Mukul Chowdhary	--	--	--	--
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	1. Sanjeev Agrawal	--	--	--	--
	2. Prince Goyal	--	--	--	--
	3. Divya Sharma	--	--	--	--
	4. Mukul Chowdhary	--	--	--	--
3.	At the End of the year ( or on the date of separation, if separated during the year)				
	1. Sanjeev Agrawal	420500	42.05	420500	42.05
	2. Prince Goyal	--	--	--	--
	3. Divya Sharma	--	--	--	--
	4. Mukul Chowdhary	--	--	--	--

**V. INDEBTEDNESS**

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

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

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	<ul style="list-style-type: none"> <li>Gross salary               <ul style="list-style-type: none"> <li>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</li> <li>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961</li> <li>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961</li> </ul> </li> <li>Stock Option</li> <li>Sweat Equity</li> <li>Commission               <ul style="list-style-type: none"> <li>- as % of profit</li> <li>- others, specify...</li> </ul> </li> <li>Others, please specify</li> <li>Total (A)</li> <li>Ceiling as per the Act</li> </ul>	<div style="border: 1px solid black; padding: 10px; text-align: center;"> <b>Not Applicable</b> </div>	

**B. Remuneration to other Directors**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount(In Rs.)
	<b>INDEPENDENT DIRECTORS</b>	Ms. Anjali Mishra	Mr. Arvind Rawal	Mr. Pankaj Gupta	
	<u>Independent Directors</u> <ul style="list-style-type: none"> <li>· Fee for attending board committee meetings</li> <li>· Commission</li> <li>· Others, please specify</li> </ul>	15,000/-	10,000/-	5,000/-	30,000/-
	Total (1)	15,000/-	10,000/-	5,000/-	30,000/-
	<u>Other Non-Executive Directors</u> <ul style="list-style-type: none"> <li>· Fee for attending board committee meetings</li> <li>· Commission</li> <li>· Others, please specify</li> </ul>				
	Total (2)				
	Total (B)~(1+2)				
	Total Managerial Remuneration	15,000/-	10,000/-	5,000/-	30,000/-
	Overall Ceiling as per the Act				

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

Sl. no.	Particulars of Remuneration	Ms. Manisha Chadha (Company Secretary)	Mr. Umesh Kumar Gupta(Chief Financial Officer)	Total
	<ul style="list-style-type: none"> <li>Gross salary               <ul style="list-style-type: none"> <li>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</li> <li>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961</li> </ul> </li> </ul>	Rs. 1,30,000/-	Rs. 2,08,000/-	Rs. 3,38,000

	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
•	Stock Option			
•	Sweat Equity			
•	Commission - as % of profit - others, specify...			
•	Others, please specify			
•	Total			

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

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority(RD /NCLT/Court)	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>B. Directors</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>C. Other Officers In Default</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

For Fortune Industrial Resources Limited

For Fortune Industrial Resources Limited

Prince Goyal  
Managing Director  
DIN:00954215  
Add:A-48, Chander Nagar  
Ghaziabad, Sahibabad  
Uttarpradesh-201001

Sanjeev Agrawal  
Director  
DIN:02820259  
Add: A, Maharaja Lal  
Lane, Civil Lines, Delhi-  
110054

Dated: 25<sup>th</sup> May, 2017

Place: New Delhi



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

For the financial year ended March 31, 2017

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

To,  
The Members,  
**Fortune Industrial Resources Limited**  
153/1, Nirankari Colony New Delhi 110009

We were appointed by the Board of Directors of **M/s Fortune Industrial Resources Limited** (hereinafter called "the Company") in the Board Meeting held on September 02, 2016 to conduct the Secretarial Audit for the Financial Year 2016-17.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Fortune Industrial Resources Limited** (hereinafter called the Company) for the Financial Year 2016-17. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**Management's Responsibility for Secretarial Compliances**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

**Opinion**

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



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

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

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

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

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

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






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

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

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

**For Shipra Khitha & Associates  
Company Secretaries**

  
**Shipra Khitha**  
**Proprietor**  
**C.P. No. 14648**  
**FCS M.No. 9217**



**Place: New Delhi**  
**Date: May 25, 2017**

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



**Annexure A**

**To,**  
**The Members,**  
**Fortune Industrial Resources Limited**  
153/1, Nirankari Colony New Delhi 110009

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

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

**For Shipra Khitha & Associates**  
**Company Secretaries**

  
**Shipra Khitha**  
**Proprietor**  
**C.P. No. 14648**  
**FCS M.No. 9217**



**Place: New Delhi**  
**Date: May 25, 2017**