

FORTUNE INDUSTRIAL RESOURCES LIMITED

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

Tel. No.: 011-43585000; Fax: 011-43585015, E-mail: firl.nbfc@gmail.com; Website: www.firl.co.in

Date: 30th July, 2020

To,

Metropolitan Stock Exchange of India Limited

Listing Department

4th Floor, Vibgyor Toweres, Plot No.C-62

Opp Trident Hotel

Bandra Kurla Complex

Bandra East, Mumbai-400098

Scrip Code-FIRL

Subject: Outcome of the Board Meeting held on Thursday, 30th July, 2020 pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

Dear Sir,

Time of Commencement: 05:30 P.M.

Time of Conclusion: 09:30 P.M.

Pursuant to Regulation 30 of the SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015 we wish you to inform that the Board of Directors of the Company at their meeting held on Thursday, 30th July, 2020 has considered the various business including following:

1. To consider, approve and take on record the Audited Financial Results on Standalone basis for the quarter/year ended March 31, 2020.
2. To take quarterly/half yearly/annual compliances into record.
3. To take quarterly compliance certificate under regulation 17(3) & 17(8) of SEBI (LODR) 2015 into record.
4. To take disclosure of interest in form MBP-1 u/s 184 of Companies Act, 2013 into record.
5. To take declaration of qualification in form DIR-8 from directors into record
6. To take declaration of independence receive from independent directors into record
7. To take affirmation from board/senior managerial personnel regarding compliance with codes of conduct issue previous year.
8. To declare carrying on NBFI Activities and submit the same to Reserve Bank of India
9. To declare non acceptance of public deposit and submit the same to Reserve Bank of India
10. Any other business with the approval by chairman

Kindly acknowledge the receipt of same and take the record on same.

For Fortune Industrial Resources Limited

Fortune Industrial Resources Limited


Authorized Signatory/Director

Bharti

Company Secretary

M. No:-34492

Place: New Delhi

Date: 30.07.2020



Independent Auditor's Report on Quarterly and Year to Date Standalone Financial Results of the Fortune Industrial Resources Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
FORTUNE INDUSTRIAL RESOURCES LIMITED

Opinion

We have audited the accompanying standalone quarterly and year to date financial results of **Fortune Industrial Resources Limited** (the "Company") for the quarter and year ended on March 31, 2020 ("the statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2020

Basis for Opinion

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



Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the statement that give a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143 (3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on complete



set of financials statements on whether the company has adequate internal financial control with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matters

The Standalone annual financial results includes the results for the quarter ended 31st March 2020, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to limited review by us.

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



**(Ashish Bhala)
Partner
Membership No.:508902**

UDIN: 20508902AAAABB7538

**Place: New Delhi
Date: 30.07.2020**



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

Website : www. firI.co.in, email : firI.nbfc@gmail.com, Tel : 011-43585000

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020

(Rs in Lakhs, unless otherwise stated)

S.No.	Particulars	Quarter ended			Year Ended	
		31st March 2020	31st Dec 2019	31st March 2019	31st March 2020	31st March 2019
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
(I)	Income from Operations					
	(a) Interest Income	5.55	5.56	6.66	22.21	26.95
	(b) Rental Income	-	-	-	-	1.80
	(c) Net Gain on Fair Value of Investments (Refer Note No. 9)	7.30	-	-	7.30	4.34
	Total Revenue From Operations	12.85	5.56	6.66	29.51	33.09
(II)	Other Income	(1.34)	0.52	0.45	0.15	-
(III)	Total Income (I+II)	11.51	6.08	7.11	29.66	33.09
(IV)	Expenses					
	(a) Employee benefits expense	0.21	0.70	2.50	5.11	9.00
	(b) Other Expenses	2.42	1.50	2.27	6.76	13.27
	(c) Finance Cost (Refer Note No. 8)	26.14	-	-	26.14	24.43
	(d) Loss on sale of Mutual Fund	2.83	-	-	2.83	-
	Total expenses	31.60	2.20	4.77	40.84	46.70
(V)	Profit / (Loss) before exceptional Items and tax (III-IV)	(20.09)	3.88	2.34	(11.18)	(13.61)
(VI)	Exceptional items	-	-	-	-	-
(VII)	Profit / (Loss) before tax (V+VI)	(20.09)	3.88	2.34	(11.18)	(13.61)
(VIII)	Tax expense/(income)					
	Current Tax	5.73	-	-	5.73	1.15
	Deferred Tax	1.69	-	-	1.69	1.64
(IX)	Profit/ (loss) for the period (VII-VIII)	(27.51)	3.88	2.34	(18.60)	(16.40)
(X)	Other comprehensive income					
	Items that will not be classified to profit & Loss					
	Fair value changes on Equity instruments through other comprehensive income	-	-	-	-	440.06
	Income tax relating to Items that will be not reclassified to profit or loss	-	-	-	-	(113.32)
(XI)	Total comprehensive income for the period (XIII+XIV)	(27.51)	3.88	2.34	(18.60)	310.35
(XII)	Paid-up equity share capital (Face value per share Rs. 10/-)	10.00	10.00	10.00	10.00	10.00
(XIII)	Other Equity	-	-	-	3,019.92	3,037.60
(XIV)	Earnings per equity share					
	(a) Basic (Rs.)	(2.75)	0.39	0.23	(1.86)	(1.64)
	(b) Diluted (Rs.)	(2.75)	0.39	0.23	(1.86)	(1.64)

For Fortune Industrial Resources Ltd.

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Authorised Signatory

Statement of Assets and Liabilities

(Amount in Lakhs)

	Particulars	31st March 2020	31st March 2019
		(Audited)	(Audited)
	ASSETS		
1)	Financial Asset		
	(a) Cash and cash equivalents	0.41	9.50
	(b) Trade Receivables	200.00	200.00
	(c) Loans	215.00	215.00
	(d) Investments	4,078.36	4,073.89
	(e) Other Financial Assets	24.12	2.04
2)	Non Financial Asset		
	(a) Current Tax Asset (Net)	-	2.39
	(b) Deferred Tax Asset (Net)	-	-
	(c) Investment Property	6.48	6.48
	(d) Other Non Financial Assets	41.58	41.58
	Total Assets	4,565.95	4,550.88
B	LIABILITIES AND EQUITY:		
	Financial Liabilities		
	(a) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	(b) Other Financial Liabilities	422.37	396.50
	Non Financial Liabilities		
	(a) Current Tax Liability (Net)	3.51	-
	(b) Deferred Tax Liability	1,018.29	1,016.60
	(c) Other Non Financial Liabilities	1.87	0.18
	Total Liabilities	1,446.03	1,413.28
	Equity		
	Equity Share Capital	100.00	100.00
	Other Equity	3,019.92	3,037.60
	Total Equity	3,119.92	3,137.60
	Total Equity and Liabilities	4,565.95	4,550.88

For Fortune Industrial Resources Ltd.

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Authorised Signatory

Notes:

- 1 Financial results have been prepared & presented in accordance with the recognition and measurement principles prescribed under section 133 of the Companies Act, 2013.
- 2 The above audited financial result for the quarter and year ended 31st March, 2020 have been reviewed and recommended by the Audit Committee and approved and taken on record by the Board of Directors ("Board") in their respective meeting held on 30.07.2020 and are available on the website of stock exchange- www.mseil.in as well as on the website of the Company www.firl.co.in.
- 3 An operating segment is one whose results are regularly reviewed by the entity's Chief Operating Decision Maker(CODM) to make decisions about resources to be allocated to the segments and assess the performance . The Chief Operating Decision Maker reviews performance of the overall activities. As the company has a single reportable segment, the segment wise disclosure requirement of Ind AS 108 on Operating Segment is not applicable to it.
- 4 The figure for the Quarter ended 31st March 2020 & 31st March 2019 are the balancing figure between audited figure in respect of full financial year and unaudited year to date figure upto 3rd quarter of the respective years.
- 5 The outbreak of COVID-19 pandemic globally and in India has severely impacted businesses and economies. Though there has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic but is not materially impacting financial position of the company. The Company's offices were shut post announcement of nationwide lockdown. Most of the operations have resumed post lifting of lockdown. The Company has considered external and internal information in assessing the impact of COVID - 19 on various elements of its financial statements, including recoverability of its Financial assets as at the Balance Sheet date.
- 6 The Company has adopted Indian Accounting Standard (Ind AS) effective 1st April, 2019 (transition date being 1st April, 2018) and accordingly audited financial results for the quarter and year ended 31st March, 2020 are in compliance with the Ind AS prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). Accordingly, previous Indian Generally Accepted Accounting Principles (IGAAP) results for the year ended 31st March, 2019, have been restated to make the results comparable.

That result already published for the quarter ended 31st March 2019 and 31 st December 2019 are not translated with Ind AS. This being first quarter results as per Ind AS are not comparable to all previously quarterly results being as per IGAAP.

- 7 (i) Reconciliation of the net profit for the Year ended 31st March, 2019, as reported under previous IGAAP and as restated under Ind AS is as under:

Particulars	(Amount in lakhs)
	31st March 2019
	(restated)
Profit after tax reported in previous Indian GAAP	3.31
Add : Fair value of Investment, classified as FVTPL	4.34
Less : Finance cost on Liability portion of Preference Share	(24.43)
Less : Others	2.02
Less : Tax Adjustments	(1.63)
Profit after tax as per Ind AS	(16.40)

For Fortune Industrial Resources Ltd.

Authorised Signatory

- 7 (ii) Reconciliation of Other Equity for the year ended 31st March 2019, as reported under previous IGAAP and as restated under Ind AS is as under:

Particulars	31st March 2019
	(restated)
Other Equity as per IGAAP	1020.67
<u>On Transition date</u>	
Add : Fair Valuation of Investment (net of Deferred Tax)	2,196.80
Add : Other Adjustments	(6.00)
Less : Security Premium adjustment on account of Ind AS	(485.45)
Add : Equity Component of Redeemable Preference Share	4.54
<u>During the year</u>	
Add : Fair value of equity instruments through OCI (net of deferred tax)	326.75
Add : Change in Profit during the year (Restated profit net of I GAAP)	(19.71)
Other Equity as per Ind AS	3037.60

- (iii) Investment in mutual funds have been classified as "Fair value through profit & loss" (FVTPL) under Ind AS against cost basis under previous IGAAP.
- 8 1,00,000 No of Preference Share of Rs 10 each has been treated as per Ind AS into Equity & Debt and accordingly ,restated at its present value. Finance cost is computed on the debt portion of Redeemable Preference Share and is recognised to Statement of Profit & loss at a risk free rate.
- 9 Net Gain on Fair value of Investments for the quarter and year ended 31st March, 2020 includes fair value gain of Rs 7.30 Lakhs (PY Rs 4.34 Lakhs) respectively for the investments, classified as fair value through profit & loss .
- 10 The figures of the previous period/year have been restated/regrouped wherever necessary to make them comparable without changing already reported figures for the quarter ended 31st December 2019, & 31st March 2019.

For Fortune Industrial Resources Ltd.
For Fortune Industrial Resources Ltd.


Authorised Signatory
(Whole Time Director)
DIN : 08153024

Date: 30.07.2020

Place :Delhi

Fortune Industrial Resources Limited
Standalone Cash Flow Statement for the year ended March 31, 2020

(₹)

Particular	Year ended 31.03.2020	Year ended 31.03.2019
Cash Flows from Operating Activities		
Profit Before Tax	(11,18,040)	(13,61,189)
Adjustments for:		
Net Loss/(gain) arising on Financial Assets measured at FVTPL	(7,30,149)	(4,33,714)
Loss/(gain) on Sale of Mutual Fund	2,82,554	0
Operating Profit before Working Capital Changes	(15,65,635)	(17,94,903)
Changes in Working Capital:		
Adjustments for (Increase)/Decrease in Operating Assets:		
Loans	0	4,20,500
Other Financial Assets	(22,07,981)	(1,80,000)
Other Current Assets & Non-current Assets	0	0
Adjustments for Increase/(Decrease) in Operating Liabilities:		
Trade Payables	0	(34,020)
Other Current Liabilities	25,86,912	37,28,789
Other Non-financial Liabilities	1,69,178	(1,13,18,220)
Provisions		
Cash Generated from Operations	(10,17,526)	(91,77,855)
Income Tax Paid	1,08,980	(2,69,549)
Net cash flow from operating activities (A)	(9,08,546)	(94,47,404)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment		
Proceeds from sale of Investment	0	48,83,448
Payment for investment other than mutual funds		
Bank Balances (including non current) not considered as cash and cash equivalents		
Interest received		
Net cash from / (used in) investing activities (B)	0	48,83,448
Cash flows from financing activities		
Repayments of other than short term borrowings		
Buy Back of shares		
Increase/(decrease) in short term borrowings		
Net cash from/(used in) financing activities (C)	0	0
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(9,08,546)	(45,63,956)
Cash and Cash equivalents at the beginning of year	9,49,775	55,13,732
Cash and Cash equivalents at the end of the year	41,230	9,49,775

FORTUNE INDUSTRIAL RESOURCES LIMITED

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Date: 30th July, 2020

To,

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Listing Department
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Sub.: Declaration with respect to Audit Report with unmodified opinion on Annual Audited Financial Statement for the Quarterly/ Year ended 31st March 2020

We hereby declare that the Audited Financial Results for the financial year ended March 31, 2020 which has been approved by the Board of Directors at the meeting held today i.e. July, 30, 2020, the Statutory Auditor of the company have issued auditor's report with an unmodified opinion in the financial statements.

This declaration is made pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

You are requested to kindly take the same on record.

Thanking You,

Yours faithfully

For Fortune Industrial Resources Limited

Fortune Industrial Resources Limited


Authorized Signatory/Director

Bharti

Company Secretary

M. No:-34492

Place: New Delhi

Date: 30.07.2020