

FORTUNE INDUSTRIAL RESOURCES LIMITED

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

03rd September, 2020

To

Metropolitan Stock Exchange of India Limited
Listing Department
4th Floor, Vibgyor Towers, 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, 03rd September, 2020 pursuant to Regulation 33 of SEBI(Listing Obligations and Disclosure Requirement) Regulations, 2015

Dear Sir,

This is to inform that the Board of Directors of the Company has, at its meeting held on Thursday, September 03rd, 2020, inter alia considered and approved the following items:

- i. The date of ensuing Annual General Meeting (AGM) of the Company, which is scheduled to be held on Tuesday, September 29, 2020, at 04:00 P.M. through Video Conferencing/ Other Audio Visual Means (VC/OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.
- ii. Approved the quarterly unaudited Standalone Financial Result for the quarter ended 30th June, 2020, as recommended by the Audit Committee.
- iii. The Notice of the ensuing Annual General Meeting along with Boards' Report for the Financial Year 2019-2020.
- iv. To take quarterly compliances for the quarter ended 30th June, 2020.
- v. To fix the record date, Book Closure date and e-voting date.
- vi. To approve and take record of Secretarial Audit report.
- vii. To Appoint M/s Vimal Chadha & Associates, as Scrutinizer of the Company.
- viii. To take other businesses into record with the approval of Chairman.

The meeting of the Board of Directors commenced at 05:00 P.M. and concluded at 6.30 P.M.

Request you to take the above information on records.

Yours faithfully

For **Fortune Industrial Resources Limited**

Bhaskar
Company Secretary
ACS-39189





Independent Auditor's Report on Quarterly Unaudited 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 reviewed the accompanying Statement of Unaudited Standalone Financials Results of **Fortune Industrial Resources Limited** ("the Company") for the quarter ended June 30, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives 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 ended June 30, 2020.

Basis for Opinion

We conducted our review 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 for the quarter ended June 30, 2020. 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 Standalone financial results for the quarter ended June 30, 2020 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.



Emphasis of Matter

Attention is invited to note 6 (b) of the accompanying Unaudited Standalone Financial Results for the quarter ended June 30, 2020, wherein it is stated that the company has not fair valued its investments in equity shares of various other unlisted companies, whose financial statements are not available for fair valuation to the latest reporting date.

Our opinion is not modified in respect of this matter.

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 for the quarter ended June 30, 2020

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.

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



(Ashish Bhala)
Partner
Membership No.:508902

UDIN: 20508902AAAABI1777

Place: New Delhi
Date: 03.09.2020



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

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2020

(Rs in Lakhs, unless otherwise stated)

S.No.	Particulars	Quarter Ended			Year Ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
(I)	Income from Operations				
	(a) Interest Income	5.55	5.55	5.54	22.21
	(b) Net Gain on Fair Value of Investments (Refer Note No. 6)	3.25	7.30	-	7.30
	Total Revenue From Operations	8.80	12.85	5.54	29.51
(II)	Other Income	-	(1.34)	0.52	0.15
(III)	Total Income (I+II)	8.80	11.51	6.06	29.66
(IV)	Expenses				
	(a) Employee benefits expense	0.30	0.21	2.10	5.11
	(b) Other Expenses	0.46	2.42	1.66	6.76
	(c) Finance Cost (Refer Note No. 7)	6.99	26.14	-	26.14
	(d) Loss on sale of Mutual Fund	-	2.83	-	2.83
	Total expenses	7.75	31.60	3.76	40.84
(V)	Profit / (Loss) before exceptional Items and tax (III-IV)	1.05	(20.09)	2.30	(11.18)
(VI)	Exceptional items	-	-	-	-
(VII)	Profit / (Loss) before tax (V+VI)	1.05	(20.09)	2.30	(11.18)
(VIII)	Tax expense/(income)				
	Current Tax	1.24	5.73	-	5.73
	Deferred Tax	0.85	1.69	-	1.69
(IX)	Profit/ (loss) for the period (VII-VIII)	(1.04)	(27.51)	2.30	(18.60)
(X)	Other comprehensive income				
	Items that will not be classified to profit & Loss				
	Fair value changes on Equity instruments through other comprehensive income	-	-	-	-
	Income tax relating to Items that will be not reclassified to profit or loss	-	-	-	-
(XI)	Total comprehensive income for the period (XIII+XIV)	(1.04)	(27.51)	2.30	(18.60)
(XII)	Paid-up equity share capital (Face value per share Rs. 10/-)	10.00	10.00	10.00	10.00
(XIII)	Other Equity	-	-	-	3,019.92
(XIV)	Earnings per equity share				
	(a) Basic (Rs.)	(0.10)	(2.75)	0.23	(1.86)
	(b) Diluted (Rs.)	(0.10)	(2.75)	0.22	(1.86)




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 unaudited financial result for the quarter ended 30th June, 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 03.09.2020 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 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.
- 5 The Company has adopted Indian Accounting Standard (Ind AS) effective 1st April, 2019 (transition date being 1st April, 2018) and accordingly unaudited financial results for this quarter and audited financial results for the 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 30th June, 2019 are not translated with Ind AS. This quarter results being as per Ind AS are not comparable to previous year quarterly results being as per IGAAP.

- 6(a) Net Gain on Fair value of Investments for the quarter ended 30th June, 2020 includes fair value gain of Rs 3.25 Lakhs for the investments, classified as fair value through profit & loss .
- 6(b) Company undertakes fair valuation of its investments in unquoted shares on the basis of respective companies' audited financial statements only latest available for those companies. Thus, fair value for the quarter ended June, 2020 is not considered in above results for the quarter.
- 7 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 as on 30th June,2020. Finance cost for the quarter ended 30.06.2020 amounting to Rs 6.99 Lakhs (Rs 26.14 Lakhs annually as on 31.03.2020) is computed on the debt portion of Redeemable Preference Share and is recognised to Statement of Profit & loss at a risk free rate.
- 8 The figures for the quarter ended 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the relevant financial year.
- 9 The figures of the previous period/year have been restated/regrouped wherever necessary to make them comparable .

For Fortune Industrial Resources Ltd.


Dilipant Goyal
(Whole Time Director)
DIN : 08153624

Date: 03.09.2020

Place :Delhi