



GOLDEN TRADING HOUSE
RECOGNISED BY
GOVT. OF INDIA

REGD. & HEAD OFFICE
G-4, COMMUNITY CENTRE
NARAINA VIHAR,
NEW DELHI-110 028
INDIA

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CIN: L52324DL1981PLC012033

Website: www.fortuneinternational.in

07th September, 2019

To,
The Manager
Corporate Relations Department-Publication Section
Bombay Stock Exchange Limited
P.J. Towers, Dalal Street Fort, Mumbai-400023

Scrip Code : 530213

Subject : Submission of Annual Report for the Financial Year 2018-19

Dear Sir/Madam,

Pursuant to regulation 34 (1) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations And Disclosure Requirements) (Amendment) Regulations, 2018, please find enclosed herewith the Annual Report of the Company for the Financial Year 2018-19, along with the Notice of 37th Annual General Meeting of Shareholders of the Company to be held on 30th September, 2019 at Amarai Farms, Khasra No. 375, Village Kapashera, near Police Chowki, Old Delhi-Gurgaon road, Kapashera, New delhi-110037 at 10:00 a.m.

Thanking You,

For Fortune International Limited


Megha C. Badhwar
Company Secretary &
Compliance Officer



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FORTUNE INTERNATIONAL LTD.

37th ANNUAL REPORT 2018-2019



BOARD OF DIRECTORS

Mr. Nivedan Bharadwaj- Managing Director
Mrs. Rekha Shrivastava- Executive Director
Mrs. Ruchika Bharadwaj- Executive Director
Mr. Sanjay Seth- Independent Director
Mr. Prashant Verma- Independent Director

STATUTORY AUDITORS

M/s. D. Kothary & Co.,
Chartered Accountants,
Mumbai

BANKER

HDFC Bank Limited
B- 17, Geetanjali Enclave,
New Delhi- 110017

REGISTERED OFFICE

G-4, C-Block, Community Centre,
Naraina Vihar, New Delhi-110 028.

REGISTRAR & TRANSFER AGENT

Purva Shareregistry (India) Private Limited
No 9, Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Lower Parel,
Mumbai –400011.

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NOTICE

Notice is hereby given that the **Thirty Seventh Annual General Meeting** of the members of Fortune International Limited will be held on Monday, 30th September, 2019 at 10:00 a.m at Amarai Farms, Khasra No. 375, Village Kapashera, near Police Chowki, Old Delhi-Gurgaon road, Kapashera, New delhi-110037 to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements including Balance Sheet as at 31st March, 2019 and the Profit and Loss Account for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.**

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

“RESOLVED THAT the audited Standalone and consolidated Financial Statements including balance sheet as at 31st March 2019, the statement of profit and loss along with notes to accounts and cash flow statement for the year ended on that date, together with the directors’ report and the auditors’ report thereon as presented to members, be and are hereby, approved and adopted”.

- 2. To appoint a Director in place of Mrs. Ruchika Bharadwaj (DIN: 00288459), who retires by rotation and being eligible offers herself for re-appointment.**

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

“RESOLVED THAT Mrs. Ruchika Bharadwaj (DIN: 00288459), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as director of the Company.”

- 3. To ratify the appointment of M/s. D. Kothary & Co, Chartered Accountants, as Statutory Auditors of the Company and authorise the Board to fix their remuneration**

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), as may be applicable, the appointment of M/s. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W) as the Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of 38th AGM of the Company to be held in the year 2020, be and is hereby ratified, at such remuneration and out of pocket expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

SPECIAL BUSINESS:

- 4. To regularise the appointment of Mr. Sanjay Seth (DIN-00316091) as an Independent Director of the Company.**

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

“RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof), Mr. Sanjay Seth, who was appointed as an Additional Director (in Independent Capacity) on 20th December, 2018, and who holds office upto the date of this Annual General Meeting, pursuant to section 149,150,152,161(1) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years and he shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any Director of the Company, be and is hereby authorized to sign and submit necessary e-form along with necessary filing fee with the Ministry of Corporate Affairs as required in accordance with the Statutory Laws for regularization of the Directors”

5. To re-appoint Mr. Nivedan Bharadwaj as a Managing Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“Act”) and Companies (Amendment) Act, 2017 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification or re-enactment thereof for the time being enforce) and regulations of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and on the recommendation of the Board, the consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Nivedan Bharadwaj as Managing Director of the Company for a period of 5 Years i.e. from 01st October, 2019 to 30th September, 2024 upon the earlier terms and conditions including remuneration of Rs. 1,20,000 p.a.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to sign and submit necessary e-form with the Ministry of Corporate Affairs as required in accordance with the Statutory laws for regularization of Directors and to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

DATE: 14th August, 2019

PLACE: New Delhi

By order of the Board of Directors

Sd/-
Nivedan Bharadwaj
Managing Director
(DIN-00040191)

Registered Office:

G - 4, C- Block Community Centre,
Naraina Vihar, New Delhi – 110028

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company.

In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The appointment of proxy shall be in the Form No. MGT.11 given at the end of Annual Report.
3. The Register of Members and Transfer Books of the Company will be closed from Tuesday, September 24th, 2019 to Monday, September 30th, 2019, both days inclusive.
4. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during office hours on a prior intimation to the Company (atleast before 24 hours) on all days except Saturdays, Sundays and public holidays, up to the date of the Annual General Meeting.
5. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the company a certified true copy of the resolution passed at the Board Meeting authorizing their representative to attend and vote on behalf of the Company. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. Members seeking any information or for any queries to write to the Directors at the Registered office at least a week advance so as to enable to keep the information ready at the meeting.
7. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with M/s. Purva Sharegistry (India) Private Limited, the Registrar & Share Transfer Agent.
8. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
9. Members holding shares in electronic form are requested to intimate any changes in their address or bank mandates to their depositories participants with whom they are maintaining their demat accounts immediately. Members holding shares in physical form are requested to advise any change of address immediately to M/s. Purva Sharegistry (India) Private Limited, the Registrar & Share Transfer Agent.
10. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
11. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
12. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

13. The e-voting period commences on Friday, September 27th, 2019 (09:00 a.m. IST) and ends on Sunday, September 29th, 2019 (05:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date of September 23rd, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
14. The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?	
1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.	
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.	
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. <i>Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.</i>	
4. Your User ID details are given below :	
Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 111988 then user ID is 111988001***
5. Your password details are given below:	
a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.	
b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.	
c) How to retrieve your 'initial password'?	
(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.	
(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.	

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
#EVEN of Fortune International Limited is “111988”
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to _____<Please mention the e-mail ID of Scrutinizer> with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Please note the following:

1. 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.
2. 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.

3. 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.
4. The Scrutinizer shall after the conclusion of voting at the general meeting, 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

Other information:

- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

DATE: 14th August, 2019

By order of the Board of Directors

PLACE: New Delhi

Sd/-
Nivedan Bharadwaj
Managing Director
(DIN-00040191)

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

As required by section 102 of the Companies Act, 2013 (the Act), the following explanatory statements set out all material facts relating to the business mentioned under Item No. 4 & 5 of the accompanying Notice:

Item No. 4

As per section 149(8) read with Schedule IV of the Companies Act, 2013, and Clause 25(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any vacancy created has to be filled within prescribed time limit. The Company expresses deep condolence at the sad demise of Mr. Madan Lal Jain, Independent Director of the Company on June 22, 2018 and may his soul rest in peace.

Consequent to the death of Mr. Madan Lal Jain, it was required to fill the vacancy within requisite time as mentioned. Thereafter, Mr. Sanjay Seth (DIN: 00316091) was appointed as an Additional Director (in Independent Capacity) of the Company by the Board on the recommendation of Nomination & Remuneration Committee in their meeting held on 20th December, 2018, with immediate effect, to hold office upto the date of the Annual General Meeting of the Company in accordance with provisions of section 161(1) of the Companies Act, 2013, and pursuant to sections 149, 150, 152, and any other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to hold office for five consecutive years from 20.12.2018 to 19.12.2023.

The Company has also received a declaration from Mr. Sanjay Seth declaring that he meets the criteria of independence as provided under the provisions of Section 149(6) of the Companies Act, 2013.

A brief profile of Mr. Sanjay Seth is given herin for the information of the shareholders:

Mr. Sanjay Seth has a degree of Bachelor of Arts from Delhi University.

Further, Mr. Sanjay Seth is the Managing Director of Laffans (India) Private Limited and has an experience of more than 2 decades.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

The Board recommends resolution under item no. 4 to be passed by the Members as Ordinary Resolution.

Item No. 5

Mr. Nivedan Bharadwaj was appointed as Whole-Time Director of the Company for a period of five years with effect from 30th September 2014 and further re-designated as Managing Director of the Company with effect from 02nd September, 2015 under the provisions of the Companies Act, 2013 for the remaining period of his tenure upto 30th September, 2019.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Nomination and Remuneration Committee and the Board of Directors confirmed the re-appointment of Mr. Nivedan Bharadwaj in the respective NRC and Board Meeting held on 14.08.2019 for smooth and efficient running of the business. Mr. Nivedan Bharadwaj was appointed for a period of 5 (Five) years i.e from 01.10.2019 to 30.09.2024.

The terms and conditions of his re-appointment including remuneration as approved by the members at the 32nd and 33rd Annual General Meeting remains the same.

The following additional detailed information as per Section – II of Schedule V is as follows:

(a) Nature of Industry	Commercial & Industry
(b) Date or expected date of Commencement of commercial production	25/11/1988
(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable

(d) Financial performance based on given indicators.	Financial Year 2018-19 Gross Revenue : Rs. 230.57 Lacs Profit after Tax : Rs. 157.29 Lacs Rate of Dividend : NA Earnings per Share: 2.23
(e) Foreign investments or collaborators, if any	The Company has not made any foreign investments and neither entered into any foreign collaborations.
II. Information about the appointee:	
(a) Background details	Nivedan Bharadwaj
	Mr. Nivedan Bharadwaj, age 49 years, has done his M.B.A. from the Simon School of Business, University of Rochester in 1993. He has vast experience in the mining industry.
(b) Past remuneration	The remuneration drawn by Mr. Nivedan Bharadwaj during the FY 2018-19 was Rs. 1.20 Lakhs annually.
(c) Recognition or awards	-
(d) Job profile and his/her suitability	Mr. Nivedan Bharadwaj is working as Managing Director of the Company since 2015. He has a good experience in business administrative and finance management. He also has experience in local & international marketing in the export industry. He is also holding directorship in other group Companies.
(e) Remuneration proposed	Rs. 1,20,000 p.a (as earlier)
(f) Comparative remuneration Profile with respect to industry, size of the Company, profile of the position and person	Since the Company has accumulated losses. Therefore, it continues to pay the same remuneration since his last reappointment.
(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director.
III. Other information:	
(a) Reasons of loss or inadequate profits	Not Applicable
(b) Steps taken or proposed to be taken for improvement	Not Applicable
(c) Expected increase in productivity and profits in measurable terms	Not Applicable

Disclosure pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) :

	MR. NIVEDAN BHARADWAJ
Age	49 Years
Qualification	M.B.A. from the Simon School of Business, University of Rochester
Experience	He has a total experience of 26 years.
Terms and conditions of appointment or reappointment	(i) Tenure of this appointment shall be five years with effect from 01.10.2019. (ii) The Managing Director of the Company shall not be liable to retire by rotation. The Managing Director would be employed on a whole-time basis. (iii) The Managing Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act. (iv) Managing Director will cease to be Director on cessation of his employment with the Company. (v) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder and regulations of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.
Last drawn remuneration	Rs. 1.20 Lacs p.a.

Date of first appointment on the Board	16/12/2010
No. of shares held	-
Relationship with Directors, Managers & KMP	Mrs. Ruchika Bharadwaj- Wife
Number of Board Meeting attended during FY 2018-19	5
Other Directorship	1. Fortune Stones Limited 2. Double Fortune Private Limited 3. Naomi Constructions Private Limited 4. ISS International Limited 5. Highland Estates Private Limited
Chairman/ Member of the Committees of Boards of other companies	-

Except Mr. Nivedan Bharadwaj and his relatives, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are in anyway concerned or interested, financially or otherwise, in the resolution set out as Item no. 5 of the Notice.

The Board recommends resolution under item no. 5 to be passed by the Members as Special Resolution.

DIRECTORS' REPORT

To,
The Members,
Fortune International Limited

1. BACKGROUND

Fortune International Limited is a BSE Listed Company which act as Trading House, Agents, business consultants, give advice, to engage in dissemination of information in all aspects of business, organization and industry and to advise upon the means and methods for extending and developing systems or processes relating to various activities of the business which includes export, production, storage, distribution, marketing and securing of orders for sale of goods in India and abroad and/or relating to the rendering of such services.

2. FINANCIAL PERFORMANCE:
(in Rs.)

Particulars	Standalone		Consolidated	
	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Revenue from Operations	2,12,60,000	-	2,12,60,000	-
Other Income	17,97,500	17,99,269	-	17,99,269
Profit / (Loss) Before Depreciation, Finance cost, Exceptional Items & Tax Expenses	2,22,48,007	9,69,162	2,04,50,507	9,69,162
Less: Depreciation/amortization/ Impairment	-	-	-	-
Profit / (Loss) Before Finance cost, Exceptional Items & Tax Expenses	2,22,48,007	9,69,162	2,04,50,507	9,69,162
Less- Finance Cost	26,18,344	26,67,330	26,18,344	26,67,330
Profit / (Loss) Before Exceptional Items & Tax Expenses	1,96,29,663	(16,98,168)	1,78,32,163	(16,98,168)
Add/(Less) Exceptional Items	-	-	-	-
Profit / (loss) Before Tax Expenses	1,96,29,663	(16,98,168)	1,78,32,163	(16,98,168)
Less: Tax Expenses				
Current Tax	39,00,000	-	39,00,000	-
Deferred Tax	-	-	-	-
Profit After Tax Expenses	1,57,29,663	(16,98,168)	1,39,32,163	(16,98,168)
Add: Share in (loss)/Profit of Associates	-	-	6,35,20,110	2,79,61,340
Profit / (Loss) for the year (1)	1,57,29,663	(16,98,168)	7,74,52,273	2,62,63,172
Total Comprehensive Income/ Loss (2)	-	-	(1,23,127)	79,854
Total (1+2)	1,57,29,663	(16,98,168)	7,73,29,146	2,63,43,025
Balance of Profit/Loss for earlier years	(7,90,12,210)	(7,73,14,042)	(5,09,71,017)	(7,73,14,042)
Less: Transfer to General Reserve	-	-	-	-
Less: Dividend Paid	-	-	-	-
Less: Dividend Distribution Tax	-	-	-	-
Add/(Less): Excess / (Short) Provision of Tax	-	-	-	-
Profit Carried Forward to next year	(6,32,82,547)	(7,90,12,210)	(2,63,58,129)	(5,09,71,017)

During the year under review, the Company was able to generate its operating revenue through Commission and therefore gained a Profit of Rs. 157.29 lacs before sharing in profit/loss of associate Company "Fortune Stones Limited" and of Rs. 773.29 Lacs after sharing in profit/loss of Fortune Stones limited.

3. RESERVES

The Company doesn't propose to transfer any amount into the general reserve.

4. DIVIDEND

In view of unavailability of sufficient profits, the Board of Directors of the Company regrets their inability to recommend any dividend for the financial year ended 31st March, 2019.

5. LISTING

The Equity shares of the Company continue to remain listed on BSE Limited and the Calcutta Stock Exchange Limited.

6. DEPOSITS

The Company has not accepted any deposit within the meaning of Sections 2(31) and 73 of the Companies Act, 2013 and the rules framed there under during the Financial Year 2018-19.

7. SUBSIDIARY/ASSOCIATE COMPANIES

The Company does not have any subsidiary company at present.

Further, **Fortune Stones Limited** is the Associate Company of the Company. A statement containing salient features of the financial statements of the Associate Company is given in form AOC-1 annexed as **Annexure 'A'**.

8. PARTICULARS OF LOANS, GAURANTEE OR INVESTMENTS

The Company has not given any loan or guarantee and has not made any investment covered under the provisions of section 186 of the Companies Act, 2013 during the last financial year ended 31st March, 2019.

9. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo as required to be disclosed under clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with rule 8 of Companies (Accounts) Rules, 2014, are furnished herein below:

a. Conservation of Energy

Although the operation of the Company is not energy intensive, it continues to adopt energy conservation measure at all operational levels.

b. Technology Absorption

Your Company has not imported any technology during the year under review.

c. Foreign Exchange Earning and Outgo

During the year under review, there were no transactions in Foreign Currency.

10. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis, as approved by the Board of Directors, is set out in this Annual Report.

11. CORPORATE GOVERNANCE REPORT

Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. At Fortune, the goal of Corporate Governance is to ensure fairness for every stakeholder. We always seek to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of term.

Our Corporate Governance Report for the fiscal year 2019 forms part of this Annual Report.

12. DIRECTORS

- a) In accordance with section 152 (6) of the Companies Act, 2013 and clause 91 & 92 of Articles of Association of the Company, Mrs. Ruchika Bharadwaj (DIN:00288459), Director of the Company is liable to retire by rotation

at the ensuing Annual General Meeting of the Company. Mrs. Ruchika Bharadwaj is eligible and offers herself to get re-appointed at the ensuing Annual General Meeting of the Company.

- b) During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.
- c) Consequent to the death of Mr. Madan Lal Jain, the Board has approved the appointment of Mr. Sanjay Seth as an Independent Director of the Company as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 in its Board Meeting held on December 20, 2018, subject to his regularization in the ensuing AGM of the Company.
- d) There has been no change in the Key Managerial Personnel during the year.

13. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the independent directors in accordance with the provisions of Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Also, Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

14. BOARD EVALUATION

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board Evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

15. MEETING OF BOARD OF DIRECTORS

During the year, Five Board Meetings were held, the details of which are given in the Corporate Governance Report. Maximum gap between the meetings is well within the limits prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Board based on recommendation of the Nomination & Remuneration Committee, has formulated a policy on remuneration, of directors, Key Managerial Personnel and other employees. The policy covers the appointment including criteria for determining qualifications, positive attributes, independence and remuneration of its directors, KMPs and other employees of the Company and other matters provided under sub - section (3) of section 178 of the Companies Act, 2013 adopted by the Board is appended as **Annexure-B** to the Directors' Report.

17. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The insider trading policy of the Company lays down guidelines and procedure to be followed, and disclosure to be made while dealing with shares of the Company, as well as the consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing Company Securities.

18. COMMITTEES OF THE BOARD

Currently there are 5 Committees: The Audit Committee, The Nomination and Remuneration Committee, The Stakeholders Relationship Committee, Risk Management Committee and Whistle Committee. A detailed note on the composition of Board and its committees is provided in Corporate Governance Report, section of this Annual Report.

19. AUDITORS**(i) Statutory Auditors**

As per the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), as may be applicable, M/s. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W), was appointed as the Statutory Auditors of the Company for a term of five years i.e. from the conclusion of 35th AGM till the conclusion of 40th AGM of the Company to be held in the year 2022, (subject to ratification of their appointment at every AGM, if so required under the Act), at such remuneration and out of pocket expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

(ii) Secretarial Auditor

As per section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company had appointed M/s. Vishakha Harbola & Associates, Practising Company Secretary, as Secretarial Auditor for carrying out the secretarial audit. The Secretarial Audit Report in the prescribed form is annexed as “**Annexure- C**” to this report. There are no qualifications, reservations, adverse remarks or disclaimer made by the Secretarial Auditors in their report.

(iii) Internal Auditor

As per section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014. The Company had appointed M/s. Bajrang Paras & Co., Chartered Accountants as an Internal Auditor of the Company.

20. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has formulated Vigil Mechanism /Whistle Blower Policy for employees and Directors to keep high standards of ethical behaviour and provide safeguards to whistle blower.

21. SEXUAL HARASSMENT POLICY

Your Company has a Policy on Sexual Harassment to provide direction and rules for governing the conduct of employees to ensure a work place free from sexual harassment. The Company has not received any complaint of sexual harassment during the financial year 2018-19.

22. HUMAN RESOURCES

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- D**” to this Report.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours before 21 days of the Annual General Meeting and shall be made available to any shareholder on request.

23. DIRECTOR’S RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, your directors confirm that:

- (a) In the preparation of the annual accounts (standalone and consolidated) for the Financial Year ended March 31, 2019, the applicable accounting standards have been followed and there are no material departures;
- (b) They have selected such accounting policies and applied them consistently and made judgements 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 profit of the company for that period;
- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) They have prepared the annual accounts (standalone and consolidated) for the Financial Year ended March 31, 2019 on a going concern basis;
- (e) Proper internal financial controls were in place and these internal financial controls were adequate and operating effectively.
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. EXTRACTS OF ANNUAL RETURN

According to the provisions of Section 92(3) and 134 (3)(a) of the Companies Act, 2013, the prescribed Form MGT-9 (Extract of Annual Return) is annexed as “**Annexure-E**” and forms an integral part of this report.

25. RISK MANAGEMENT POLICY

The Company has formulated a Risk Management Policy which reflects the overall risk management philosophy, the Company’s overall approach to risk management and the role and responsibilities for risk management. Risk management forms an integral part of the business planning and review cycle. The Company’s Risk Management Policy is designed to provide reasonable assurance that objectives are met by integrating management control into the daily operations, by ensuring the compliance with legal requirements and by safeguarding the integrity of the Company’s financial reporting and its related disclosures.

26. RELATED PARTY TRANSACTIONS

All the transactions done with related parties for the year under review were on arm’s length basis and are in compliance with the applicable provisions of the Act. There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. Transactions with related parties were entered by the Company in the normal course of business of the Company. The particulars of contracts entered during the year are shown in Form AOC- 2, which is annexed to this report as “**Annexure- F**”.

27. ACKNOWLEDGEMENTS

The Directors would like to place on record their gratitude for the valuable guidance and support received from the Reserve Bank of India, Securities and Exchange Board of India, Registrar of Companies and other government and regulatory agencies and to convey their appreciation to customers, bankers, lenders, vendors and all other business associates for the continuous support given by them to the Company. The Directors also place on record their appreciation of the commitment, commendable efforts, team work and professionalism of all the employees of the Company.

The Directors appreciate and value the contributions made by every member of FIL Family.

For and on behalf of the Board

Sd/-
Nivedan Bharadwaj
Managing Director
(DIN-00040191)

Sd/-
Ruchika Bharadwaj
Director
(DIN-00288459)

Date: 14th August, 2019

Place: New Delhi

Regd. Office: G - 4, C- Block Community Centre,
Naraina Vihar, New Delhi – 110028

NOMINATION & REMUNERATION POLICY:

The Nomination & Remuneration policy for members of the Board and KMPs is drafted in a manner which aims to improve the performance of the Board of Directors and KMPs of Fortune International Limited (the 'Company') and subsequently enhance the value of the Company, to motivate and retain them, and to be able to attract other highly qualified executives.

The terms of reference, objectives and key elements of the policy produced below is in line with the provisions of the Companies Act, 2013 and the Listing Agreement in order to pay equitable remuneration to Directors, Key Managerial Personnel and other employees of the Company.

OBJECTIVES OF NOMINATION & REMUNERATION POLICY

The objective of Nomination & Remuneration policy of Fortune International Limited is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of stakeholders of Fortune International Limited.

BASIS OF FORMULATION

The Company while deciding the remuneration package of the senior management members takes into consideration the employment scenario, remuneration package of the industry, remuneration package of the managerial talent of other industries, among others.

KEY ELEMENTS OF THE POLICY

The following elements are taken into consideration:

Fortune International Limited strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gains, respect for people and concern for the environment in line with of Fortune International Limited values and business principles as reflected in the Company's Code of Business Conduct. The Nomination & Remuneration policy reflects a balance between the interests of the Company's main stakeholders as well as a balance between its short-term and long-term strategy. As a result, the structure of the remuneration package for the Managing Board and KMPs is designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders.

To ensure that highly skilled and qualified senior executives can be attracted and retained.

The remuneration policies for the members of the Managing Board and for other senior executives of Fortune International Limited are aligned.

The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

TERMS OF REFERENCE

The terms of reference of the Nomination & Remuneration Committee, inter alia, consists of reviewing the overall compensation policy, service agreements, performance incentive and other employment conditions of Board Members and KMPs. The recommendations of the Nomination & Remuneration Committee are considered and approved by the Board of Directors, subject to the approval of the shareholders, wherever necessary.

The remuneration of the Executive Directors and KMPs are recommended by the Nomination & Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-a-vis the industry, responsibilities shouldered, performance/track record, review on remuneration packages of heads of other organizations and is decided by the Board of Directors, subject to the approval of the shareholders at the General Meeting of the Company wherever required. The Company pays remuneration by way of salary, perquisites, allowances etc.

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/Managing Director/KMPs shall be governed as per provisions of the Companies Act, 2013.

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "B": Associates

(Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies)

Name of Associate	Fortune Stones Limited
1. Latest audited Balance Sheet Date	March 31, 2019
2. Shares of Associate held by the company on the year end	
No. of shares	17,97,500 equity shares
Amount of Investment in Associates	Rs. 3,70,31,025
Extend of Holding	36.01%
3. Description of how there is significant influence	The Company holds 36.01% equity in Fortune Stones Limited.
4. Reason why the associate is not consolidated	N.A
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 26,57,69,541.05
6. Profit/(Loss) for the year	
i. Considered in Consolidation	Rs. 6,35,20,110
ii. Not Considered in Consolidation	Rs. 17,97,500

- Names of associates or joint ventures which are yet to commence operations. Nil
- Names of associates or joint ventures which have been liquidated or sold during the year. Nil

FORM NO. MR- 3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2019**

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

To,

The Members,

M/s. Fortune International Limited

CIN: L52324DL1981PLC012033

Regd. Address:

G-4, Community Centre, Naraina Vihar,

New Delhi – 110028

Date of Incorporation: 20.07.1981

Authorized Share Capital: ₹ 7,20,00,000.00

Paid up Share Capital: ₹ 7,04,00,000.00

I have conducted the secretarial audit of the compliance of applicable statutory provision and the adherence to good corporate practices by M/s. Fortune International Limited (hereinafter referred to as “the company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Fortune International Limited 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st Day of March, 2019 (“Audit Period”) 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 have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Fortune International Limited for the financial year ended on 31st Day of March, 2019 according to the provisions of:

- (a) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (b) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (d) 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; [Not applicable to the company during the Audit Period]
- (e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) :-
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and related circulars & clarifications made thereunder;
 - (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable as Company has not issued any further share capital during the Audit Period]**
- (v) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **[Not applicable to the company during the Audit Period]**
- (vi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable as the Company has not issued and listed any debt securities during the Financial Year]**
- (vii) 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; **[Not Applicable as Company is not registered as RTA/ STA]**
- (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable to the company during the Audit Period]** and
- (ix) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **[Not applicable to the company during the Audit Period]**

I have also examined compliance with the applicable clauses of Secretarial Standards ("SS- 1 & SS- 2") issued by The Institute of Company Secretaries of India.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The appointment of Mr. Sanjay Seth as an Additional Director (w.e.f 20.12.2018) was carried out in compliance with the provisions of the Act.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company had no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: New Delhi
Date: August 27th, 2019

Sd/-
CS Vishakha Harbola
Company Secretary in Practice
Proprietor
M/s. Vishakha Harbola & Associates,
Company Secretaries
COP No.: 14440
Membership No.: A- 38782

***This report is to be read with our letter of even date which is annexed as an "Annexure-A" and forms an integral part of this report.**

To,

The Members,

M/s. Fortune International Limited

CIN: L52324DL1981PLC012033

Regd. Address:

G-4, Community Centre, Naraina Vihar,

New Delhi - 110028

My Secretarial Audit 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date: August 27th, 2019

Sd/-
CS Vishakha Harbola
Company Secretary in Practice
Proprietor
M/s. Vishakha Harbola & Associates,
Company Secretaries
COP No.: 14440
Membership No.: A- 38782

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2018-19, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2018-19.

S. No	Name of Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1	Mr. Nivedan Bharadwaj	Managing director	1.24	Nil
2	Mrs. Rekha Shrivastava	Director	-	Nil
3	Mrs. Ruchika Bharadwaj	Director	-	Nil
4	Mr. Anil Kumar Kukreja	Chief Financial Officer	-	Nil
5	Ms. Megha Chhabra	Company Secretary	0.75	Nil

Note :

- a) The Non-Executive Directors of the Company are not paid any fee or commission. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the above purpose.
 - b) There was marginal annual increase in the remuneration of Company Secretary of the Company during the financial year 2018-19.
 - c) Employees for the purpose above includes all employees.
- ii) The percentage increase in the median remuneration of Employees for the financial year was 1.04%.
 - iii) The Company has nil permanent Employees on the rolls of Company as on 31st March, 2019.
 - iv) Relationship between average increase in remuneration and Company's performance: There was a basic increment in the remuneration paid to Company Secretary, while the remuneration paid to Managing Director remains the same.
 - v) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: The Company utilized its income generated from operational activities in its business during fiscal 2019. Therefore, there was no increase in remuneration of MD.
 - vi) Our Market capitalization was decreased by 54.78% to Rs. 732.16 lakhs as of March 31, 2019 from Rs. 1,619.2 lakhs as of March 31, 2018. The price earnings ratio was 4.66 as of March 31, 2019 which was an increase of 104.86% as compared to March 31, 2018. The closing price of the Company's Equity shares on the BSE at the end of Financial Year 2019 was Rs. 10.40.
 - vii) The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year : N.A
 - viii) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2019

[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:

i	CIN	L52324DL1981PLC012033
ii	Registration Date	20/07/1981
iii	Name of the Company	FORTUNE INTERNATIONAL LIMITED
iv	Category / Sub-Category of the Company	Public Company, Limited by shares
v	Address of the Registered office and contact details	G-4, Community Centre, Naraina Vihar, New Delhi-110028
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent	Purva Sharegistry (India) Pvt. Ltd. Unit no. 9, Shiv Shakti Ind. Estt., J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai - 400 011 Tel : 91-22-2301 6761 / 8261 Email : support@purvashare.com

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: -

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Commission Income	-	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S. No.	Name And Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Fortune Stones Limited #The Address, Plot No. 62, Second Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020	U26100DL1996PLC075205	Associate	36.01%	2(6)

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 (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/ HUF	38,26,868	0	38,26,868	54.36	38,26,868	0	38,26,868	54.36	0.00
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt. (s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00

e. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
F. Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1)	38,26,868	0	38,26,868	54.36	38,26,868	0	38,26,868	54.36	0.00
(2) Foreign									
a. NRIs-Individuals	0	0	0	0	0	0	0	0	0.00
b. Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d. Banks / FI	0	0	0	0	0	0	0	0	0.00
e. Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	38,26,868	0	38,26,868	54.36	38,26,868	0	38,26,868	54.36	0.00
B. Public Shareholding									
(1) Institutions									
a. Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c. Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d. State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g. FIs	0	0	0	0.00	0	0	0	0.00	0.00
h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i. Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non-Institutions									
a. Bodies Corp.									
i) Indian	6,32,850	5,01,400	11,34,250	16.11	6,32,570	5,01,400	11,33,970	16.11	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1,03,049	5,47,936	6,50,985	9.25	91,857	5,36,936	6,28,793	8.93	3.41
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	44,700	13,81,996	14,26,696	20.27	46,810	13,81,996	14,28,806	20.30	0.15
c. Others (Clearing Members)	-	-	-	-	20,362	-	20,362	0.29	0.00
i) NRI (Repat & Non Repat)	230	0	230	0.00	230	0	230	0.00	0.00
ii) Hindu Undivided Family	171	500	671	0.01	171	500	671	0.01	0.00
iii) Trust	300	0	300	0	300	0	300	0	0.00

Sub-total (B)(2)	7,81,300	24,31,832	32,13,132	45.64	7,92,300	24,20,832	32,13,132	45.64	0.00
Total Public Shareholding (B) = (B)(1) + (B)(2)	7,81,300	24,31,832	32,13,132	45.64	7,92,300	24,20,832	32,13,132	45.64	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	46,08,168	24,31,832	70,40,000	100.00	46,19,168	24,20,832	70,40,000	100.00	0.00

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year (01.04.2018)			No. of Shares held at the end of the year (31.03.2019)			% change in share holding during 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	
1	Ruchika Bharadwaj	37,26,868	52.94	0	37,26,868	52.94	0	0.00
2	Rekha Shrivastava	1,00,000	1.42	0	1,00,000	1.42	0	0.00
	Total	38,26,868	54.36	0	38,26,868	54.36	0	0.00

iii. Change in Promoters' Shareholding

S. No.		Shareholding at the beginning of the year (01.04.2018)		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	38,26,868	54.36	38,26,868	54.36
2	Increase/ Decrease in Promoter's Share holding during the year	NIL	0.00	NIL	0.00
3	At the End of the year	38,26,868	54.36	38,26,868	54.36

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

S. No.		Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Quest Profin Advisor Pvt. Ltd.	6,00,000	8.52	6,00,000	8.52
2	Pankaj Paliwal	5,41,996	7.70	5,41,996	7.70
3	Nimesh Navinchandra Shah	3,90,000	5.54	3,90,000	5.54
4	Kalpesh Rajkumar Koradia	3,90,000	5.54	3,90,000	5.54
5	Premier Needle Crafts Pvt. Ltd.	2,28,200	3.24	2,28,200	3.24
6	SBI Capital Market Ltd.	1,60,000	2.27	1,60,000	2.27
7	ITC- Agro- Tech Finance & Invest. Ltd.	50,900	0.72	50,900	0.72
8	Raju Bhandari	44,700	1.06	44,700	1.06
9	Arjun Lal Niranjana Agarwal	30,000	0.43	30,000	0.43
10	Urmila Arjun Lal Agarwal	30,000	0.43	30,000	0.43

v. Shareholding of Directors and Key Managerial Personnel:

S. 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
	For Each of the Directors and KMP				
1	Mrs. Ruchika Bharadwaj				
	At the beginning of the year	37,26,868	52.94	37,26,868	52.94
	Increase / Decrease in Share holding during the year	Nil	0.00	Nil	0.00
	At the End of the year	37,26,868	52.94	37,26,868	52.94
2	Mrs. Rekha Shrivastava				
	At the beginning of the year	1,00,000	1.42	1,00,000	1.42
	Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	1,00,000	1.42	1,00,000	1.42
3	Mr. Madan Lal Jain				
	At the beginning of the year	3,800	0.05	0	0
	Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	3,800	0.05	0	0
4	Mr. Prashant Verma				
	At the beginning of the year	15,300	0.22	15,300	0.22
	Increase / Decrease in Share holding during the year	0	0	(200)	0
	At the End of the year	15,300	0.22	15,100	0.22

IV. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Rs. In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	9,13,59,904	-	9,13,59,904
ii) Interest due but not paid	-	11,84,751	-	11,84,751
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	9,25,44,655	-	9,25,44,655
Change in Indebtedness during the financial year				
• Addition	-	23,55,854	-	23,55,854
• Reduction	-	(1,64,22,630)	-	(1,64,22,630)
Net Change		(1,40,66,776)		(1,40,66,776)
Indebtedness at the end of the financial year				
i) Principal Amount		7,62,63,877		7,62,63,877
ii) Interest due but not paid		22,14,002		22,14,002
iii) Interest accrued but not due				
Total (i+ii+iii)		7,84,77,879		7,84,77,879

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
(Rs. In lacs)

S. no.	Particulars of Remuneration	Name of MD/WTD or Manager	Total Amount
		Mr. Nivedan Bharadwaj	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.20	1.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	1.20	1.20
	Ceiling as per the Act	1.20	1.20

B. Remuneration to other directors:

S. no.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	-	-	-	-	-
	• Fee for attending board committee meetings	-	-	-	-	-
	• Commission					
	• Others, please specify					
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-	-
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD
(Rs. In lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		Ms. Megha Chhabra Company Secretary	Total
1.	Gross salary	0.73	0.73
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		Ms. Megha Chhabra Company Secretary	Total
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
	Total	0.73	0.73

VI. 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)
A. COMPANY					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. DIRECTORS					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	-	--	--	--	--
C. OTHER OFFICERS IN DEFAULT					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

FORM NO. AOC.2

(Pursuant to clause (h) of sub-section(3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso is given below:

1. Details of contracts or arrangements or transactions not at arm's length basis

S. No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

2. Details of material contracts or arrangement or transactions at arm's length basis

Name of related Party	Nature of Relationship	Nature of Transaction	Duration of Contract	Date of Approval	Amount (Rs. In lacs)	Silent Terms
Nivedan Bharadwaj	Managing Director	Director's Remuneration	4 years	02.09.2015	1.20	Nil
Ruchika Bharadwaj	Director	Repayment of Loan	-	14.02.2017	14.70	Nil

REPORT ON CORPORATE GOVERNANCE
1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, government and others. It emphasizes on long term prosperity of the Corporations while abiding with their National, Human, Social, Economic and Political Obligation. The Corporate Governance principle has become an important constituent for corporate success. The practice of good Corporate Governance has become a necessary prerequisite for any corporation to effective function in the globalised market scenario.

2. APPLICABILITY

As per the Clause 15 of SEBI (LODR) Regulations, 2015, the Company is exempted from the provision of Corporate Governance, as the Company's Paid up share Capital and Net Worth are below the prescribed limits.

Still, as a good Corporate Practice, the Company complies with the code of Governance and maintain a balance in the Board. There are requisite number of Independent Directors in the Board.

3. BOARD OF DIRECTORS

The Board of Directors, along with the Committees of the Board, provides leadership and guidance to the Company's Management and directs, supervises and controls the activities of the Company.

a) Composition of Board:

- i. The Company's policy is to maintain optimum combination of Executive and non-Executive Directors. As on March 31, 2019 the Board of Directors (Board) comprises of 5 Directors out of which 2 are Independent Directors. Composition of the Board and category of Directors as on 31st March, 2019 is as follows:

Category	Name of Director
Promoter Director	Mrs. Ruchika Bharadwaj
	Mrs. Rekha Shrivastava
Executive Director	Mr. Nivedan Bharadwaj
Independent Director	Mr. Sanjay Seth (Additional Director in Independent Capacity)
	Mr. Prashant Verma

- ii. Mr. Prashant Verma, Independent director and Mr. Sanjay Seth (Additional Director in Independent Capacity), have furnished the declaration that they qualify the conditions of being independent. All declarations are placed before the Board.
- iii. The details of Directors, their attendance at Board Meetings and at the previous Annual General Meeting of the Company are, given below:

Name of Director	Director Identification Number (DIN)	Category	Board Meetings Attended	Whether present at previous AGM held on 28 th September 2018
Mr. Nivedan Bharadwaj	00040191	Managing Director	5/5	YES
Mrs. Rekha Shrivastava	00051261	Promoter Director	5/5	YES
Ms. Ruchika Bharadwaj	00288459	Promoter Director	5/5	YES
Mr. Sanjay Seth	00316091	Additional Director (in Independent Capacity)	1/1	N.A
Mr. Prashant Verma	00328093	Independent Director	5/5	YES

Further the detail of the Board of Directors directorships, Committee Membership, Chairmanships:

Name of Director	Director Identification Number (DIN)	Other Directorships*	Committee Memberships	Committee Chairmanships
Mr. Nivedan Bharadwaj	00040191	5	-	-
Mrs. Rekha Shrivastava	00051261	7	3	1
Mr. Sanjay Seth	00316091	3	3	2
Ms. Ruchika Bharadwaj	00288459	3	-	-
Mr. Prashant Verma	00328093	3	3	-

- iv) Five (5) Board Meetings were held during the financial year ended 31st March, 2019 and the gap between the two meetings did not exceed one hundred and twenty days.
- v) The Board meetings were held on 30th May 2018, 13th August, 2018, 14th November, 2018, 20th December, 2018 and 13th February, 2019.

4. BOARD COMMITTEES

The Board has constituted Committees with specific terms of reference/scope to focus effectively on issues and ensure expedient resolution of diverse matters. These are the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions / noting.

The Board has constituted following five Committees of Directors:

- i. Audit Committee
- ii. Nomination and Remuneration Committee (earlier "Remuneration Committee")
- iii. Stakeholders' Relationship Committee (earlier "Shareholders / Investors Grievance and Share Transfer Committee")
- iv. Risk Management Committee
- v. Whistle Committee

(i) Audit Committee:

a) Composition of Audit Committee & Attendance at Meeting:

The Audit Committee of the Company comprises of three members. Consequent to death of Mr. Madan Lal Jain, Independent Director of the Company on June 22, 2018, Mr. Sanjay Seth filled the vacancy on the Board, he was nominated to be Chairman in Audit Committee w.e.f. 20.12.2018 (i.e. effective date of appointment in the Board). Four Audit Committee Meetings were held during the FY 2018-19 on 30th May, 2018, 13th August, 2018, 14th November, 2018 and 13th February 2019. The necessary quorum was present for all the Meetings. The Audit Committee meetings are usually held at the registered office of the Company and are normally attended by the Chairman, Directors and representative of the Statutory Auditor.

Name of Director	Director Identification Number (DIN)	Designation	Category
Mr. Sanjay Seth	00316091	Chairman	Independent Director
Mr. Prashant Verma	00328093	Member	Independent Director
Mrs. Rekha Shrivastava	00051261	Member	Non-Executive Director

Meeting and Attendance

Name of Director	Director Identification Number (DIN)	No. of Audit Committee Meetings which Directors were entitled to attend	No. of Audit Committee Meetings Attended
Mr. Sanjay Seth	00316091	1	1
Mr. Prashant Verma	00328093	4	4
Mrs. Rekha Shrivastava	00051261	4	4
Mr. M.L. Jain	00051418	1	1

The minutes of the meeting of the Audit Committee are placed before the Board and the company is following the recommendation of the Audit Committee. The composition of the Audit Committee is in conformity with the Listing Agreement.

b) Terms of Reference:

The Constitution of the audit committee also meets the requirements under section 177 of the Companies Act, 2013. The terms of reference and power of the audit committee are in line with those contained under clause 49 of the Listing Agreement.

c) Function of Audit Committee:

- Supervising the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

(ii) Nomination and Remuneration Committee
a) Composition of Nomination and Remuneration Committee

The "Nominations and Remuneration Committee" comprised of 3 Non-Executive Directors. Consequent to death of Mr. Madan Lal Jain, Independent Director of the Company on June 22, 2018, Mr. Sanjay Seth filled the vacancy on the Board, as he was nominated to be Chairman in Nomination and Remuneration Committee w.e.f. 20.12.2018 (i.e. effective date of appointment in the Board). Two Nomination and Remuneration Committee Meetings were held during the FY 2018-19 on 13th August, 2018 and 20th December, 2018. The Committee recommends remuneration / compensation packages for the Executive Directors within prescribed limits from time to time.

Name of Director	Director Identification Number (DIN)	Designation	Category
Mr. Sanjay Seth	00316091	Chairman	Independent Director
Mr. Prashant Verma	00328093	Member	Independent Director
Mrs. Rekha Shrivastava	00051261	Member	Non-Executive Director

Meeting and Attendance

Name of Director	Director Identification Number (DIN)	No. of NRC Meetings which Directors were entitled to attend	No. of NRC Meetings Attended
Mr. Prashant Verma	00328093	2	2
Mrs. Rekha Shrivastava	00051261	2	2

The minutes of the meeting of the Nomination and Remuneration are placed before the Board and the company is following the recommendation of the NRC. The composition of NRC is in conformity with the Listing Agreement.

b) Remuneration to Executive Director and Non-Executive Directors

None of the Non-Executive Director and Independent Directors are drawing any salary nor sitting fees for attending Board meeting or any commission from the Company while Mr. Nivedan Bharadwaj, Managing Director, who is drawing remuneration of Rs. 1,20,000/- p.a.

There is no pecuniary relationship or transaction between any of the Non-Executive Director and the Company.

i. No. of Equity Shares held by Directors

Name	No. Of Equity Shares held	(%) Percentage of holding
Mr. Nivedan Bharadwaj	NIL	NIL
Mrs. Rekha Shrivastava	1,00,000	1.42
Mr. Sanjay Seth	NIL	NIL
Ms. Ruchika Bharadwaj	37,26,868	52.94
Mr. Prashant Verma	15,100	0.22

Terms of reference:

- Review the overall compensation policy, service agreement and employment condition of the Director and other employees of appropriate cadres with a view to motivating the best managerial talents, their remuneration packages.
- Evaluate the remuneration paid by comparable organization.
- Review the performance of the Directors and recommendations to the Board in this regard.
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend / approve.

c) Stakeholder Relationship Committee

i. Composition of Stakeholder Relationship Committee

As per section 178 of the Companies Act 2013, the Stakeholders Relationship Committee was constituted. The Stakeholders Relationship Committee comprised of 3 Directors. Consequent to death of Mr. Madan Lal Jain, Independent Director of the Company on June 22, 2018, Mr. Sanjay Seth filled the vacancy on the Board, he was nominated to be Member in Stakeholders Relationship Committee w.e.f. 20.12.2018 (i.e. effective date of appointment in the Board). The Stakeholders Relationship Committee looks into the matter like transfer / transmission, issue of duplicate shares, non-receipt of declared dividend etc. and investigates the investor's complaints and takes necessary steps for redress thereof.

Name	Designation	Category
Mrs. Rekha Shrivastava	Chairperson	Non- Executive Director
Mr. Sanjay Seth	Member	Independent Director
Mr. Prashant Verma	Member	Independent Director

ii. Registrar and Transfer Agent (R & T Agent):

The Company, in order to expedite the process of share transfers, has delegated the power of share transfers to an officer of the Share Transfer Agent (STA). The Company, as a matter of policy, disposes of investors' complaints within a span of seven days.

Purva Sharegistry (India) Private Limited has been appointed as the Registrar and Transfer (R & T) Agent of the Company and the Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor's services. The Committee also advises on the matter enabling better investor services and relations. All matters connected with the share transfer, dividends and other matters are being handled by the STA located at the address mentioned elsewhere in this report.

iii. Complaints received and redressed during the year 2018-2019:

Nature of Complaints	No. of Complaints received	No. of Complaints resolved	No. of Complaints pending	No Complaints were pending /outstanding
Rejected Demat Documents (Sent by RTA) were not delivered to DP within prescribed time	01	01	NIL	NIL

d) Risk Management Committee:

The Company has constituted Risk Management Committee to inform the board for risk assessment, control and to mitigate the same arises if any in terms of business. The Committee comprised of Mr. Nivedan Bharadwaj, Managing Director and Mrs. Rekha Srivastava, Non-Executive Director of the Company. The Board has framed plan to monitor and manage the risk.

e) Whistle Committee:

The Company has constituted Whistle Committee to conduct detailed investigation of the disclosure received from the whistle blower and recommend disciplinary action. The Committee comprised of Mr. Nivedan Bharadwaj, Managing Director, Mrs. Ruchika Bharadwaj, Director and Ms. Megha Chhabra, Company Secretary of the Company.

5. WOMAN DIRECTOR

Pursuant to section 149 of the Companies Act, 2013 and clause II.A of the Listing Agreement, Mrs. Rekha Srivastava and Mrs. Ruchika Bharadwaj are the Women Directors.

6. ASSOCIATE COMPANY

Fortune Stones Limited (FSL) is the Associate Company of the Company.

The Company invested in 17,97,500 equity shares of FSL and results of both the Companies have been consolidated. Further, Consolidated Results for the F.Y 2018-19 are part of this report.

7. SUBSIDIARY COMPANY

The Company does not have any subsidiary company at present.

8. OTHER DISCLOSURES
a. Related Party Transactions

There are no materially significant related party transactions i.e. transaction material in nature with its promoters, directors, their relatives or the management, subsidiaries of the Company etc. having potential conflict with the interest of the Company at large.

b. Statutory Compliance, Penalties and structures

The company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the year. No penalties have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the years.

c. Accounting Standards

In preparation of the financial statements, the Company follows Indian Accounting Standards (abbreviated as Ind-AS) issued under the supervision of Accounting Standards Board (ASB).

d. Risk management:

The Company has formulated and laid down the procedure for assessment and minimization of risks. These

procedures have been considered by the Board and a properly defined framework is being laid down to ensure that executive management controls the identified risks.

e. Proceeds from Public Issue

There was no public issue of equity shares of the Company during the FY 2018-19.

9. CEO/ CFO CERTIFICATION

As required by SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the CEO/ CFO Certification is provided in this report.

10. VIGIL MECHANISM (WHISTLE BLOWER POLICY):

The Company has not denied access to any personnel, to approach the management on any issue. The Company has a policy on vigil mechanism as required under the Companies Act 2013.

11. RECONCILIATION OF SHARE CAPITAL AUDIT:

A qualified practising company secretary carries out a Reconciliation of Share Capital (RSC) Audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and place the report for perusal of the board. The RSC Audit report confirms that the total issued, and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

12. MEANS OF COMMUNICATION

The Board believes that effective communication of information is an essential component of corporate governance. The Company regularly interacts with shareholders through multiple channels of communication such as monthly sales update, results announcement, annual report, media releases, Company's website and specific communications to Stock Exchanges, where the Company's shares are listed.

(i) Quarterly Results:

The Company has furnished quarterly financial results along with the notes on a quarterly basis to the Stock Exchange as per the format prescribed and within the time period stipulated under the Listing Agreement.

(ii) Newspapers wherein results are normally published:

The Company has published the financial results within 48 hours of the conclusion of the Board Meeting in at least one English daily newspaper circulating in the whole or substantially the whole of India and in one newspaper published in the language of the region, where the registered office of the Company is situated.

(iii) Website:

The Company's website is www.fortuneinternational.in. This website contains the basic information about the Company, e.g., details of its business, code of conduct, financial information, shareholding pattern, contact information of the designated officials of the Company, who are responsible for assisting and handling investor grievances and such other details as may be required under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Company ensures that the contents of this website are periodically updated. In addition, the Company makes use of this website for publishing official news releases and presentations, if any, made to institutional investors / analysts.

The Company has designated the following e-mail IDs, namely rekha.srivastava2016@gmail.com for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.

13. EMPLOYEES' STOCK OPTION SCHEMES (ESOP)

No employee has been issued share options, during the year.

14. COMPLIANCE OFFICER

Ms. Megha Chhabra is acting as Company Secretary and Compliance Officer of the Company.

15. GENERAL SHAREHOLDER INFORMATION:

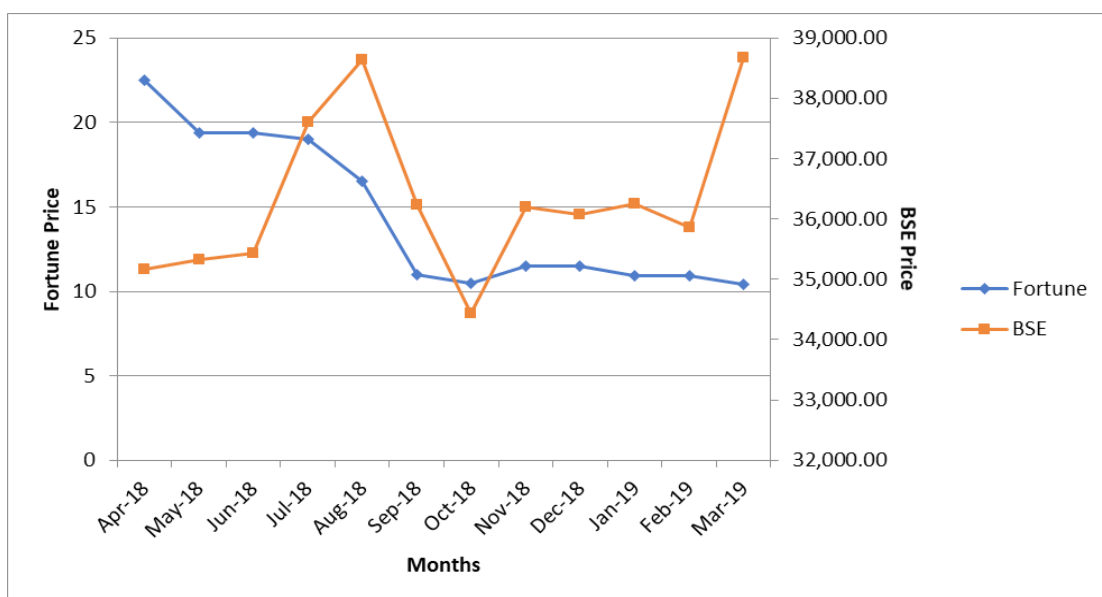
Registered Office: G-4, Community Centre, Naraina Vihar, New Delhi- 110028

Corporate Identification Number (CIN): L52324DL1981PLC012033

16. MARKET PRICE DATA:

The market price of the shares is available with the Company from April, 2018 to March, 2019:

Month	BSE (Monthly) All Prices in ₹				BSE SENSEX CLOSING
	Open	High Price	Low Price	Close	
Apr-18	22.50	22.50	22.50	22.50	35,160.36
May-18	21.40	21.40	19.35	19.35	35,322.38
Jun-18	21.40	21.40	19.35	19.35	35,423.48
Jul-18	19.00	19.00	19.00	19.00	37,606.58
Aug-18	19.00	19.00	16.50	16.50	38,645.07
Sep-18	17.10	17.10	11.00	11.00	36,227.14
Oct-18	10.45	10.45	10.45	10.45	34,442.05
Nov-18	10.45	11.51	10.45	11.51	36,194.30
Dec-18	10.45	11.51	10.45	11.51	36,068.33
Jan-19	11.00	11.00	10.94	10.94	36,256.69
Feb-19	11.00	11.00	10.94	10.94	35,867.44
Mar-19	10.40	10.40	10.40	10.40	38,672.91

17. (A) A Comparative chart of the price movement of the Company with BSE Sensex is given below:


(B) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2019:

Range (in Rs)	Number of Shareholders	% of Shareholder	Amount in Rs.	% of Paid up Capital.
0001- 5000	2,117	93.38	27,10,190	3.85
5001-10,000	63	2.78	5,45,100	0.77
10,001- 20,000	34	1.50	5,22,000	0.74
20,001- 30,000	8	0.35	2,09,000	0.30
30,001- 40,000	3	0.13	1,02,000	0.14
40,001- 50,000	7	0.31	3,32,000	0.47
50,001- 1,00,000	9	0.40	8,48,900	1.21
1,00,000-and above	26	1.15	6,51,30,810	92.52
Total	2266	100.00	7,04,00,000	100.00

(C) SHAREHOLDING PATTERN AS ON 31ST MARCH, 2019

Category	No. of shares held	Percentage to shareholding (%)
Foreign Companies	NIL	NIL
Non-Resident	230	0.00
Foreign Financial Institution	NIL	NIL
Financial Institutions	NIL	NIL
Mutual Fund	NIL	NIL
Promoters	38,26,868	54.36
Director Relative	NIL	NIL
Resident Individual	20,57,599	29.23
Nationalized Bank	NIL	NIL
Other Bodies corporate	11,33,970	16.11
HUF	671	0.01
Trust	300	0.00
Employee	NIL	NIL
In Transit	NIL	NIL
Others (Clearing Members)	20,362	0.29
Total	70,40,000	100

(D) Shares held in physical and dematerialized form

As on March 31, 2019, 65.61 percent of the Company's shares were held in dematerialized form and the remaining 34.39 percent in physical form. The break up is listed below:

Shares in Form	No. of shares	% held
N.S.D.L	39,81,304	56.55
C.D.S.L	6,37,864	9.06
Physical	24,20,832	34.39
Total	70,40,000	100

18. OUTSTANDING GDRS/ ADRS/WARRANTS/CONVERTIBLE INSTRUMENTS AND THEIR IMPACT ON EQUITY:

The Company has not issued any GDR/ADRs/ Warrants or any convertible instruments. No amounts were outstanding on accounts of the same as on the date of the Balance Sheet.

19. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report are appended to and forms part of the Annual Report.

20. GENERAL BODY MEETINGS
1. Annual General Meetings

Details of Special Resolution passed in the previous three Annual General Meetings are given below:

Year	Venue	Date & Time	Special Resolution Passed
2015-16	G - 22, Shahi Road, Bijwasan, New Delhi- 110061	30 th September, 2016 10.00 a.m.	(i) To make investments, give loans, guarantees and provide securities beyond the prescribed limits (ii) To approve borrowing limits of the Company
2016-17	Amarai Farms, Khasra No. 375, Village Kapashera, near Police Chowki, Old Delhi-Gurgaon road, Kapashera, New Delhi-110037	29 th September, 2017 11:00 a.m.	(i) To make investments, give loans, guarantees and provide securities beyond the prescribed limits (ii) To approve borrowing limits of the Company
2017-18	Amarai Farms, Khasra No. 375, Village Kapashera, near Police Chowki, Old Delhi-Gurgaon road, Kapashera, New Delhi-110037	28 th September, 2018 10:00 a.m.	-

All the Resolutions were passed with requisite majority.

2. Postal Ballot

No Special Resolution was passed through Postal Ballots during the financial year and no special resolution is being proposed to be conducted through postal ballot.

21. SHAREHOLDER
a) GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of AGM	30 th September, 2019 at 10:00 am Amarai Farms, Khasra No. 375, Village Kapashera, near Police Chowki, Old Delhi-Gurgaon road, Kapashera, New Delhi-110037
Financial Year	April 1, 2018- March 31, 2019
Dates of Book Closure	September 24, 2019 to September 30, 2019 (both days inclusive)
Dividend Payment Date	There is no dividend recommended by the Board
Listing on Stock Exchange	1. Bombay Stock Exchange Limited 2. Calcutta Stock Exchange Association Limited
BSE Scrip Code	530213
Scrip name	FORINTL
International Security Identification Number (ISIN)	INE501D01013

b) SHARE TRANSFER SYSTEM

Purva Sharegistry (India) Private Limited has been appointed as Registrar & Share Transfer Agent from of the company.

Address for communication for Shareholding related queries is as follows:

M/s. Purva Sharegistry (India) Private Limited
9, Shiv Shakti Industrial Estate
J.R. Boricha Marg, Lower Parel (E)
Mumbai – 400011

Email ID: support@purvashare.com

Website: www.purvashare.com

Tel : 91-22-2301 6761 / 8261

Fax: 91-22-2301 2517

c) BOOK CLOSURE DATES

September 24, 2019 to September 30, 2019

(both days inclusive)

d) ADDRESS FOR CORRESPONDANCE:

Ms. Megha Chhabra

Fortune International Limited

G-3, First Floor, C-Block, Community Centre,

Naraina Vihar, New Delhi-110 028

DATE: August 14, 2019

PLACE: New Delhi

By order of the Board of Directors

Sd/-

Rekha Shrivastava

Director

(DIN-00051261)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of Fortune International Limited presents the analysis of the performance of the Company for the year 2018-19 and its outlook for the future. This outlook is based on an assessment of the current business environment. It may vary due to future economy and other developments both in India and Abroad.

1. Industry structure and developments.

The Indian products have a huge demand in the foreign markets. The export business in India has been flourishing and according to reports it contributes a huge share to the development of the country. The Indian exporters have succeeded in standing the stiff competition prevalent in the foreign markets through skilled manpower and quality products.

2. Opportunities and Threats.

Indian exporters have a healthy competition with neighboring countries which has further led to the growth of export sector in the Country. The government has created new opportunities by introducing several policies to augment the export sector. The introduction of various trade policies have led to a substantial flow of foreign currency. There are certain opportunities and strengths in the export business which has been specified below.

OPPORTUNITIES

- An unfulfilled customer need.
- Arrival of new technologies.
- Loosening of regulations.
- Removal of international trade barriers.
- Patents
- Strong brand names.
- Good reputation among customers.
- Cost advantages from proprietary know-how.
- Exclusive access to high grade natural resources.
- Favorable access to distribution networks.

THREATS

- Changes in the external environmental also may present threats to the firm. Some examples of such threats include:
- Shifts in consumer tastes away from the firm's products
- Emergence of substitute products.
- New regulations. International labor and environmental Laws.
- Increased trade barriers
- Threat for traditional market facing the product diversification;
- Competition from other developing countries, especially China.

3. Risks and concerns.

Export business can be a great opportunity, but it is risky and challenging at the same time which is totally different from those encountered domestically. Increasing competition remains the major problem of the industry especially with China. Risk can be identified in the following factors:

- a) **Political Risk:** The Country where our client is located may experience major political instability. Such instability could result in defaults on payments, confiscation of property, exchange transfer blockages etc.

- b) **Legal Risk:** At domestic level, businesses are subject to a myriad of laws, regulations, and restrictions. But there are much more complexities in international business. International transactions are governed by unilateral measures, bilateral relationships, multilateral and regional agreements. The differences in law may have impact in such areas as taxation, currency dealings, and property rights and employments practices.
- c) **Credit Risk:** While doing business internationally, trading can seem complicated and risky. Besides political, legal and other risks, the most common problem businesses face is the risk in the transaction.
- d) **Exchange Rate Risk:** Our major business involves export to the other Countries and the transactions are primarily done in other currency. The exchange rate between the Rupee and other currencies change substantially and could fluctuate substantially in the future. Fluctuations in Indian Rupee against other foreign currencies may adversely affect our results of operations.

4. Internal control systems and their adequacy.

Your company has a well settled internal control system and policies and procedures for operations accounting and financial reporting as well as compliance. An effective internal Audit function adds the elements of completeness to the System of Internal Control, The Internal Auditor are an Independent firm who present their finding and report to the Audit Committee on the regular basis.

5. Discussion on financial performance with respect to operational performance.

The Board has discussed the performance of the Company in its Board's Report

6. Material developments in Human Resources / Industrial Relations front, including number of people employed.

The company realized and understands that the human resources are the most valuable assets that it has and it takes pains to see that there are not overlook in the process of trying business and profit. The Company also understand that it depends on the experience ability skills and knowledge of his employee and therefore takes pains to encourage them to expand the knowledge and as and when as required sends them for courses which will develop their skills and knowledge. The Company also offers attractive remuneration, conducive working atmosphere. The Company had peaceful industrial relation with employees and the company continues to focus on Human Resource Development to enhance the employee performance and promote knowledge integration

7. Cautionary Statement

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections and estimates are forward looking statements and progressive within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon the economic conditions, government policies and other incidental/ related factors.

DATE: August 14, 2019

PLACE: New Delhi

By order of the Board of Directors

Sd/-
Nivedan Bharadwaj
Managing Director
(DIN-00040191)

CEO/CFO CERTIFICATION

The Board of Directors
Fortune International Limited
G-4, C-Block, Community Centre,
Naraina Vihar, New Delhi – 110 028

I, Anil Kukreja, Chief Financial Officer (CFO) of Fortune International Limited ("the Company") do certify to the Board that-

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of their acknowledge and belief:
 - (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (2) These statements together present a true and fair view of the Company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- C. I am responsible for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company
- D. pertaining to financial reporting that they have disclosed to the auditors and audit committee, deficiencies in the design or operation of such internal control, if any, of which they are aware and the steps they have taken or proposed to take to rectify these deficiencies.
- E. I have indicated to the auditors and the Audit Committee:
 - (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Any instances of significant fraud of which I am aware and that involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

For Fortune International Limited

Sd/-

Anil Kumar Kukreja
Chief Financial Officer

Date : August 14, 2019

Place : New Delhi

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No.: L52324DL1981PLC012033

Paid Up Capital: ₹ 7,04,00,000.00

To,

The Members,

Fortune International Limited,

G- 4, Community Centre,

Naraina Vihar, New Delhi- 110028

I have examined the compliance of conditions of Corporate Governance by M/s. Fortune International Limited ("**Company**") for the year ended 31st March, 2019, as stipulated Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from April 01st, 2018 to March 31st, 2019 of the Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 and information furnished to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulation, as applicable.

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

**For Vishakha Harbola & Associates,
Company Secretaries**

Date: August 27th, 2019

Place: New Delhi

**Sd/-
CS Vishakha Harbola
Practicing Company Secretary
COP No.: 14440
Membership No.: A- 38782**

INDEPENDENT AUDITOR'S REPORT**To the Members of****Fortune Stones Limited****Report on the Financial Statements****Opinion**

We have audited the accompanying financial statements of **Fortune Stones Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with

SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation to be disclosed on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There is no amount due to transfer to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2019.

For **D. Kothary & Co**
Chartered Accountants
(Firm Registration No. 105335W)

Sd/-
Rahul G. Shah
Partner
Membership No. 132651
Place: Mumbai
Date: 30th May 2019

Annexure A to Independent Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

1. In respect of its Property, Plant & Equipment:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant & equipment on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the documents provided to us, we report that, the Company does not have any immovable properties as at the balance sheet date.
2. The Company does not hold any inventories during the year, hence this clause is not applicable.
3. The Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public.
6. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act, in respect of the mining activities rendered by the Company.
7. According to the information and explanations given to us in respect of statutory dues:
 - a) Undisputed statutory dues in respect of sales tax, service tax, withholding taxes, provident fund, and employees' state insurance, cess as applicable and any other statutory dues have been regularly deposited with the appropriate authorities. There were no undisputed amounts payable in respect of Income-tax, Custom Duty, GST, Cess and other material statutory dues in arrears as at 31st March 2019, for a period of more than six months from the date they became payable.
 - b) There are no statutory dues pending to be deposited on account of disputes pending with various forums.
8. Based on our audit procedures and as per the information and explanations given by management, the Company has not defaulted in repayment of dues to any financial institution or Bank.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. The Company has paid/provided for managerial remuneration in the books of accounts in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly

convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **D. Kothary & Co**

Chartered Accountants

(Firm Registration No. 105335W)

Sd/-

Rahul G. Shah

Partner

Membership No. 136251

Place: Mumbai

Date: 30th May 2019

Annexure - B to the Auditors' Report

To the Members of

Fortune International Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Fortune International Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D. Kothary & Co**

Chartered Accountants

(Firm Registration No. 105335W)

Sd/-

Rahul G. Shah

Partner

Membership No. 132651

Place: Mumbai

Date: 30th May 2019

Balance Sheet As at 31st March 2019

Sr. No.	Particulars	Notes	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
I.	ASSETS			
1	Non Current Assets			
	(a) Property, Plant and Equipment	4	2,08,179	2,08,179
	(b) Financial Assets			
	(i) Investments	5	3,70,31,025	3,70,31,025
	(c) Other non-current assets	6	10,10,377	10,10,377
			3,82,49,581	3,82,49,581
2	Current Assets			
	(a) Financial Assets			
	(i) Trade receivables	7	4,52,04,860	4,52,04,860
	(ii) Cash and cash equivalents	8	31,02,895	5,06,708
	(b) Other current assets	9	19,704	55,438
			4,83,27,459	4,57,67,006
	TOTAL		8,65,77,040	8,40,16,587
II.	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	10	7,04,00,000	7,04,00,000
	(b) Other Equity	11	(6,32,82,547)	(7,90,12,210)
			71,17,453	(86,12,210)
	LIABILITIES			
1	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	7,84,77,879	9,25,44,655
			7,84,77,879	9,25,44,655
2	Current Liabilities			
	(a) Other Current Liabilities	13	1,44,708	84,142
	(b) Current tax Liability (Net)		8,37,000	-
			9,81,708	84,142
	TOTAL		8,65,77,040	8,40,16,587

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For D. Kothary & Co

Chartered Accountants

Firm Registration No. 105335W

Sd/-

Rahul G. Shah

Partner

Membership No.: 132651

Sd/-

Nivedan Bharadwaj

Managing Director

DIN No. 00040191

Sd/-

Anil Kumar Kukreja

C.F.O

PAN No. AAJPK2353F

For and on behalf of the Board of Directors

Sd/-

Ruchika Bharadwaj

Director

DIN No. 00288459

Sd/-

Megha Chhabra

Company Secretary

Pan No. AVZPC1678E

Place : Mumbai

Date : 30th May 2019

Place : New Delhi

Date : 30th May 2019

Statement of Profit and Loss for the year ended 31st March 2019

Particulars	Notes	2018-19 Amount In Rs.	2017-18 Amount In Rs.
Revenue from operations	14	2,12,60,000	-
Other incomes	15	17,97,500	17,99,269
Total Revenue		2,30,57,500	17,99,269
Expenses:			
Employee benefit expenses	16	1,91,309	1,84,503
Finance cost	17	26,18,344	26,67,330
Depreciation and amortization expenses	4	-	-
Other Expenses	18	6,18,184	6,45,605
Total Expenses		34,27,837	34,97,437
Profit before tax		1,96,29,663	(16,98,168)
Tax expense:			
Current tax		39,00,000	-
Deferred tax		-	-
Profit for the year		1,57,29,663	(16,98,168)
Other Comprehensive Income			
Items will not be reclassified to profit & loss		-	-
Items will be reclassified to profit & loss		-	-
Total Comprehensive Income		1,57,29,663	(16,98,168)
Earning per share on Equity Shares of Rs. 10 each	21		
- Basic & Diluted		2.23	(0.24)

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For D. Kothary & Co

Chartered Accountants

Firm Registration No. 1,05,335W

Sd/-

Rahul G. Shah

Partner

Membership No.: 132651

Sd/-

Nivedan Bharadwaj

Managing Director

DIN No. 00040191

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Anil Kumar Kukreja

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DIN No. 00288459

Sd/-

Megha Chhabra

Company Secretary

Pan No. AVZPC1678E

Place : Mumbai

Date : 30th May 2019

Place : New Delhi

Date : 30th May 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
A. Cash Flow From Operating Activities :		
Net profit before tax as per statement of profit and loss	1,96,29,663	(16,98,168)
<u>Adjustments for :</u>		
Dividend Income	(17,97,500)	(17,97,500)
Interest Income	-	(1,769)
Interest Expenses	26,18,344	26,67,330
Operating Cash Flow Before Changes in Working Capital	2,04,50,507	(8,30,108)
Changes in current assets and liabilities		
(Increase)/Decrease in Other Current and Non-Current Assets	35,734	(16,100)
Increase/(Decrease) in Other Current Liabilities	60,566	(18,984)
Cash Generated From Operations	2,05,46,807	(8,65,192)
Payment of Taxes (Net of Refunds)	(30,63,000)	-
Net Cash Flow From Operating Activities (A)	1,74,83,807	(8,65,192)
B. Cash Flow From Investing Activities :		
Dividend Income	17,97,500	17,97,500
Interest income	-	1,769
Net Cash Flow From Investment Activities (B)	17,97,500	17,99,269
C. Cash Flow From Financing Activities :		
(Repayment) / Borrowing from financial institutions/Others	(1,40,66,776)	11,14,997
Financial Expenses	(26,18,344)	(26,67,330)
Net Cash From / (Used In) Financing Activities (C)	(1,66,85,120)	(15,52,333)
Net Increase In Cash Or Cash Equivalents (A+B+C)	25,96,187	(6,18,255)
Cash And Cash Equivalents At The Beginning Of The Year	5,06,708	11,24,963
Cash And Cash Equivalents As At The End Of The Year	31,02,895	5,06,708

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For D. Kothary & Co

Chartered Accountants

Firm Registration No. 1,05,335W

For and on behalf of the Board of Directors

Sd/-

Rahul G. Shah

Partner

Membership No.: 132651

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Nivedan Bharadwaj

Managing Director

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Anil Kumar Kukreja

C.F.O

PAN No. AAJPK2353F

Sd/-

Ruchika Bharadwaj

Director

DIN No. 00288459

Sd/-

Megha Chhabra

Company Secretary

Pan No. AVZPC1678E

Place : Mumbai

Date : 30th May 2019

Place : New Delhi

Date : 30th May 2019

Statement of Changes in Equity for the year ended 31st March 2019
Note A :- Equity share Capital

PARTICULARS	Note	Amount In Rs.
As at 1st April 2017		7,04,00,000
Changes in Equity share capital during the year		-
As at 31st March 2018		7,04,00,000
Changes in Equity share capital during the year		-
As at 31st March 2019	10	7,04,00,000

Note B : Other Equity

Particulars	Reserves & Surplus			Capital Reserves	Total Other Equity
	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at April 1, 2017	-	-	(7,73,14,042)	-	(7,73,14,042)
Profit for the year	-	-	(16,98,168)	-	(16,98,168)
Other Comprehensive Income for the year, net of Income Tax	-	-	-	-	-
Total Comprehensive Income for the year	-	-	(7,90,12,210)	-	(7,90,12,210)
Dividends/Tax on Dividend	-	-	-	-	-
Reversal of Dividends/Tax on Dividend	-	-	-	-	-
(Short) / excess provision for tax	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-
Balance as at March 31, 2018	-	-	(7,90,12,210)	-	(7,90,12,210)
Profit for the year	-	-	1,57,29,663	-	1,57,29,663
Other Comprehensive Income for the year, net of Income Tax	-	-	-	-	-
Total Comprehensive Income for the year	-	-	(6,32,82,547)	-	(6,32,82,547)
Dividends/Tax on Dividend	-	-	-	-	-
Reversal of Dividends/Tax on Dividend	-	-	-	-	-
(Short) / excess provision for tax	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-
Balance as at March 31, 2019	-	-	(6,32,82,547)	-	(6,32,82,547)

As per our report of even date
For D. Kothary & Co

Chartered Accountants

Firm Registration No. 1,05,335W

Sd/-
Rahul G. Shah

Partner

Membership No.: 132651

Sd/-
Nivedan Bharadwaj

Managing Director

DIN No. 00040191

Sd/-
Anil Kumar Kukreja

C.F.O

PAN No. AAJPK2353F

Sd/-
Ruchika Bharadwaj

Director

DIN No. 00288459

Sd/-
Megha Chhabra

Company Secretary

Pan No. AVZPC1678E

Place : Mumbai

Date : 30th May 2019

Place : New Delhi

Date : 30th May 2019

1. Company overview

Fortune International Limited is a BSE Listed Company which act as Trading House, Agents, business consultants, give advice, to engage in dissemination of information in all aspects of business, organization and industry and to advise upon the means and methods for extending and developing systems or processes relating to various activities of the business which includes export, production, storage, distribution, marketing and securing of orders for sale of goods in India and abroad and/or relating to the rendering of such services.

2. Basis of preparation of financial statements**a) Accounting convention**

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules, 2016

These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

Certain comparative figures appearing in these financial statements have been regrouped and/or reclassified to better reflect the nature of those items.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

c) Key accounting judgement, estimates and assumptions

The preparation of the financial statements required the management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

d) Functional and presentation currency

The functional and presentation currency of the Company is the Indian Rupee.

e) Foreign currency transaction

Foreign currency transactions are translated at the exchange rate that approximates the prevalent exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

3. Significant Accounting Policies

The Company has applied the following accounting policies to all periods presented in the financial statements.

a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts exclusive of excise duty receivable for goods supplied, stated net of discounts, returns and value added taxes. The company recognises revenue when the amount of revenue can be reliably measured; when it is probable

that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

Sale of Goods and services

Sales are recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer as per terms of contract. Income and fees from services are accounted as per terms of relevant contractual agreements/arrangements.

Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.

Interest & Commission Income

Interest income is recognised on accrual basis as per the terms of relevant contracts or by using the effective interest method, where applicable

Investment income

Incomes from investments are accounted on an accrual basis.

b) Property, Plant and Equipment

Transition to Ind AS:

The Company has elected to continue with the net carrying value of all its property, plant and equipment recognized as of April 1, 2016 (transition date) as per the previous GAAP and use that carrying value as its deemed cost.

- i) **Recognition and measurement:** Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to an item of fixed asset are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which they are incurred.
- ii) **Depreciation:** Depreciation of other items of Property, Plant and Equipment are provided on a straight line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013 or based on technical evaluation of the asset. Estimated useful life of items of property, plant and equipment are as follows:

Type of Asset	Estimated Useful Life
Furniture & Fittings	10 years
Computers & Printers	3 years
Office Equipment's	5 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company assesses at each balance sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised within operating profit in the Income statement.

c) **Financial Instrument****Financial Assets**

The Company classifies its financial assets in the following categories:

- i) **Financial assets at amortised cost** - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss if any.

Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances.

- ii) **Equity investments** - Investment in subsidiaries/associates are stated at cost. All other equity investments are measured at fair value, except for certain unquoted equity investments which are carried at cost where the fair value of these investments cannot be reliably measured.
- iii) **Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)** – For investments which are not held for trading purposes and where the company has exercised the option to classify the investment as at FVTOCI, all fair value changes on the investment are recognized in OCI. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.
- iv) **Financial assets at Fair Value through Profit and loss (FVTPL)** - Financial assets other than the equity investments and investment classified as FVTOCI are measured at FVTPL. These include surplus funds invested in mutual funds etc.
- v) **Impairment of financial assets** - The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Financial liabilities**Initial recognition and measurement**

Financial liabilities are measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

Offsetting financial instruments

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

d) **Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre- tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

e) Income Tax

a) Current Income Tax

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

b) Deferred Tax:

Deferred tax is provided using the balance sheet approach on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity, in which case the deferred tax is recognised in Other Comprehensive Income and equity respectively.

f) Leases

As a lessee

Lease of assets, where the Company, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Assets acquired on finance lease are capitalised and depreciated as per Company's policy on Property, Plant and Equipment. Finance lease are measured at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised as income in the Statement of profit or loss on a straight- line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

g) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or

payments and item of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Company are segregated.

h) Earnings per share

The Company presents Basic and Diluted earnings per share data for its equity shares. Basic and Diluted earnings per share is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

i) Contingent Liabilities

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

j) Borrowing Costs

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

k) Useful economic lives and impairment of other assets

Property, plant and equipment other than mining rights are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values. The Company also reviews its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in prices, the Company's business plans and changes in regulatory environment are taken into consideration.

The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of the assets.

Notes to the financial statements for the year ended March 31, 2019

Note : 4 - Property, Plant & Equipment

S. No	Particulars	Gross Block			Depreciation			Net Block	
		As on 01.04.2018	Addition during the year	Deduction during the year	As on 31.03.2019	As on 01.04.2018	Addition during the year	WDV as on 31.03.2019	WDV as on 31.03.2018
I	Tangible Assets								
1	Furnitures & Fixtures	26,87,794	-	-	26,87,794	26,51,068	-	36,726	36,726
2	Office Equipment	35,67,789	-	-	35,67,789	34,65,959	-	1,01,830	1,01,830
3	Air Conditioners	15,09,905	-	-	15,09,905	14,41,345	-	68,560	68,560
4	Computer	21,250	-	-	21,250	20,187	-	1,063	1,063
	Total	77,86,738	-	-	77,86,738	75,78,559	-	2,08,179	2,08,179
	Previous Year Figure	77,86,738	-	-	77,86,738	75,78,559	-	2,08,179	

Notes to the financial statements for the year ended March 31, 2019

PARTICULARS	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
Note 5 :- Investments (Non Current)		
Investment in Associate		
17,97,500 equity shares of Fortune Stones Limited of Rs. 10 each fully paid up	3,70,31,025	3,70,31,025
Total	3,70,31,025	3,70,31,025
Note 6 :- Other Non Current Assets (Unsecured, Considered Good)		
(a) Income tax Refund Receivable	10,10,377	10,10,377
Total	10,10,377	10,10,377
Note 7 :- Trade Receivables (Unsecured)		
Considered Good	-	-
Considered Doubtful	4,52,04,860	4,52,04,860
Less : Allowance for Bad and Doubtful Debts	-	-
Total	4,52,04,860	4,52,04,860
10% amount of invoice value which is payable by Ministry of Food, Government of Bangladesh after inspection of the goods and other formalities has not yet received inspite of serious efforts made by the company, amounting to Rs.2,14,47,920/- is outstanding since last 17 years and seems doubtful of recovery. Balance of Trade Receivable Rs. 2,37,56,940/- is subject to confirmation and doubtful of recovery		
Note 8 :- Cash And Cash Equivalents		
Balances with banks		
(i) In current accounts	31,02,895	5,06,708
Cash on hand	-	-
Total	31,02,895	5,06,708
Note 9 :- Other Current Assets		
Advance to suppliers	-	17,250
GST Input Receivable	19,704	38,188
Total	19,704	55,438

NOTE 10 (a) :- EQUITY CAPITAL

PARTICULARS	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
AUTHORISED SHARE CAPITAL		
71,60,000 (Previous Year 71,60,000) Equity Shares of Rs.10 each	7,16,00,000	7,16,00,000
40,000 (Previous Year 40,000) 10% Cumulative preference shares of Rs.10 each	4,00,000	4,00,000
Total	7,20,00,000	7,20,00,000

ISSUED, SUBSCRIBED AND PAID UP 70,40,000 (Previous Year 70,40,000) Equity Shares of Rs.10 each fully paid up	7,04,00,000	7,04,00,000
Total	7,04,00,000	7,04,00,000

NOTE 10 (b) :- The company has only one class of equity with a par value of Rs. 10/- per share. Each holder of equity shares is entitle to one vote per share.

NOTE 10 (c) :- The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2,018 and March 31, 2,019 is set out below

PARTICULARS	As at March 31, 2019		As at March 31, 2018
	No. of shares held	Amount In Rs.	No. of shares held
Equity Shares			
Number of shares at the beginning	70,40,000	7,04,00,000	70,40,000
Add: Fresh Issue	-	-	-
Add: Bonus Shares	-	-	-
Less: Buy Back	-	-	-
Number of shares at the end	70,40,000	7,04,00,000	70,40,000

NOTE 10 (d) :- Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2019		As at March 31, 2018
	No. of shares held	% holding	No. of shares held
<u>Equity shares with voting rights</u>			
Ruchika Bharadwaj	37,26,868	52.94%	37,26,868
Quest Profin Advisor Pvt Ltd	6,00,000	8.52%	6,00,000
Pankaj Paliwal	5,41,996	7.70%	5,41,996
Nimesh N. Shah	3,90,000	5.54%	3,90,000
Kalpesh R. Koradia	3,90,000	5.54%	3,90,000

PARTICULARS	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
<u>Note 11: Other Equity</u>		
<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
Opening balance	(7,90,12,210)	(7,73,14,042)
Add: Profit / (Loss) for the year	1,57,29,663	(16,98,168)
	(6,32,82,547)	(7,90,12,210)
Total	(6,32,82,547)	(7,90,12,210)
<u>Note 12 :- Borrowings (Non Current)</u>		
<u>Unsecured</u>		
Loan from financial institution	2,38,17,975	2,16,03,973
Loan from body corporate	-	15,80,778
Loan from directors and relatives	5,46,59,904	6,93,59,904
Total	7,84,77,879	9,25,44,655

Note 13 :- Other Current Liabilities (Current)		
(a) Statutory liabilities	64,071	26,879
(b) Other Payable	80,637	57,263
Total	1,44,708	84,142
PARTICULARS	2,018-2019 Amount in Rs.	2,017-2018 Amount in Rs.
Note 14 :- Revenue from operation		
Commission Income	2,12,60,000	-
Total	2,12,60,000	-
Note 15 :- Other Incomes		
Dividend Income	17,97,500	17,97,500
Interest on IT Refund	-	1,769
Total	17,97,500	17,99,269
Note 16 :- Employee Benefit Expenses		
Directors remuneration	1,20,000	1,20,000
Salary, wages, bonus and allowances	71,309	64,503
Total	1,91,309	1,84,503
Note 17 :- Finance Costs		
(b) Bank charges	726	27,322
(c) Interest on Unsecured Loan	26,17,618	26,40,008
Total	26,18,344	26,67,330
Note 18 :- Other Expenses		
Printing & Stationery Expenses	52,555	35,033
Postage & Courier Expenses	45,371	44,230
Auditors Remuneration	20,000	20,000
Miscellaneous Expenses	24,706	1,004
Rates & Taxes	6,693	4,334
Professional Charges	4,27,492	4,99,934
Advertisement & Publicity	40,257	41,034
Interest on TDS	1,110	36
Total	6,18,184	6,45,605

Note :19 There is no contingent liabilities during the year

Note : 20 Related party transactions

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

20.1 Relationships during the year
(A) Key Managerial Personnel

Mr. Nivedan Bharadwaj
Mrs. Ruchika Bharadwaj
Mrs. Rekha Shrivastava

(B) Fortune Stones Ltd. (Associate Company)
(C) Enterprises over which Key Management Personnel have Significant Influence

ISS International Ltd.
Double Fortune Private Limited
Auctus Mining LLP (99.99%)
Astrum Mining LLP (99.99%)
Festino Mining LLP (99.99%)
Sterlite Mining LLP (99.99%)

20.2 Related party transactions during the year

Particulars	2018-19	2017-18
(A) Transactions with related parties during the year :		
Dividend Received		
Fortune Stones Limited	17,97,500	17,97,500
Investment made		
Fortune Stones Limited	3,70,31,025	3,70,31,025
Remuneration		
Nivedan Bharadwaj	1,20,000	1,20,000
(B) Balances outstanding at the end of the year		
Loans Payable		
Ruchika Bharadwaj	5,03,60,000	6,50,60,000
Rekha Shrivastava	42,99,904	42,99,904

Note : 21 Earnings per share

Particulars	As At March 31, 2019	As At March 31, 2018
Net profit after tax as per statement of profit and loss	1,57,29,663	(16,98,168)
Weighted average number of equity shares outstanding during the year	70,40,000	70,40,000
Nominal value per equity share	10	10
Basic & Diluted earnings per share	2.23	(0.24)

Note :22 The Company has not received intimation from most of the suppliers regarding the status under the Micro, Small and Medium Enterprise Development Act, 2006, and hence disclosure requirements in this regard as per schedule III of the Companies Act, 2013 is not being provided.

Note :23 Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year

As per our report of even date

For D. Kothary & Co

Chartered Accountants

Firm Registration No. 1,05,335W

Sd/-

Rahul G. Shah

Partner

Membership No.: 132651

Sd/-

Nivedan Bharadwaj

Managing Director

DIN No. 00040191

Sd/-

Anil Kumar Kukreja

C.F.O

PAN No. AAJPK2353F

For and on behalf of the Board of Directors

Sd/-

Ruchika Bharadwaj

Director

DIN No. 00288459

Sd/-

Megha Chhabra

Company Secretary

Pan No. AVZPC1678E

Place : Mumbai

Date : 30th May 2019

Place : New Delhi

Date : 30th May 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of

Fortune International Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Fortune International Limited** (herein after referred as "the Holding Company") and its associates (the Holding Company and its associates together referred to as "the Group") , which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Ind AS Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be disclosed.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

We have not audited the financial statements of an associates namely Fortune Stones Limited. The consolidated financial statements include the Group's share of net profit/loss of Rs. 635.20 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of an associates. The financial statements in so far as it relates to such an associate company have been audited by other auditors whose reports have been furnished to us by the management is based solely on the reports of the auditors of such companies.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of a subsidiary as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules there under.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its associate company covered under the Act, none of the directors of the Group companies are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of a subsidiary, as noted in the 'Other matter' paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any

material foreseeable losses.

- iii. There is no amount due to transfer to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March, 2019.

For D. Kothary & Co.

Chartered Accountants

(Firm Registration No. 105335W)

Sd/-

Rahul G. Shah

Partner

Membership No. 132651

Place: Mumbai

Date: 30th May, 2019

Annexure - A**To the Independent Auditor's Report on the Consolidated Ind AS Financial Statements of Fortune International Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Fortune International Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company, internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company, have in all material respects, an adequate internal financial control system with reference to consolidated financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2019, based on the internal controls with reference to financial statements criteria established by the Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **D.Kothary & Co**
Chartered Accountants
(Firm Registration No. 105335W)

Sd/-
Rahul G. Shah
Partner
Membership No. 132651
Place: Mumbai
Date: 30th May 2019

Consolidated Balance Sheet As at 31st March 2019

Sr. No.	Particulars	Notes	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
I.	ASSETS			
1	Non Current Assets			
	(a) Property, Plant and Equipment	4	2,08,179	2,08,179
	(b) Financial Assets			
	(i) Investments	5	12,66,71,701	6,50,72,218
	(c) Other non-current assets	6	10,10,377	10,10,377
			12,78,90,257	6,62,90,774
2	Current Assets			
	(a) Financial Assets			
	(i) Trade receivables	7	4,52,04,860	4,52,04,860
	(ii) Cash and cash equivalents	8	31,02,895	5,06,708
	(b) Other current assets	9	19,704	55,438
			4,83,27,459	4,57,67,006
	TOTAL		17,62,17,716	11,20,57,780
II.	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	10	7,04,00,000	7,04,00,000
	(b) Other Equity	11	2,63,58,129	(5,09,71,017)
			9,67,58,129	1,94,28,983
	LIABILITIES			
1	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	7,84,77,879	9,25,44,655
			7,84,77,879	9,25,44,655
2	Current Liabilities			
	(a) Other Current Liabilities	13	1,44,708	84,142
	(b) Current Tax Liability (Net)		8,37,000	-
			9,81,708	84,142
	TOTAL		17,62,17,716	11,20,57,780

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date
For D. Kothary & Co

Chartered Accountants

Firm Registration No. 105335W

Sd/-
Rahul G. Shah

Partner

Membership No.: 132651

Sd/-
Nivedan Bharadwaj
Managing Director

DIN No. 00040191

Sd/-
Anil Kumar Kukreja
C.F.O

PAN No. AAJPK2353F

For and on behalf of the Board of Directors
Sd/-
Ruchika Bharadwaj
Director

DIN No. 00288459

Sd/-
Megha Chhabra
Company Secretary

Pan No. AVZPC1678E

Place : Mumbai

Date : 30th May 2019

Place : New Delhi

Date : 30th May 2019

Consolidated Statement of Profit and Loss for the year ended 31st March 2019

Particulars	Notes	2,018-2019 Amount In Rs.	2,017-2018 Amount In Rs.
Revenue from operations	14	2,12,60,000	-
Other incomes	15	-	17,99,269
Total Revenue		2,12,60,000	17,99,269
Expenses:			
Employee benefit expenses	16	1,91,309	1,84,503
Finance cost	17	26,18,344	26,67,330
Depreciation and amortization expenses	4	-	-
Other Expenses	18	6,18,184	6,45,605
Total Expenses		34,27,837	34,97,437
Profit before tax		1,78,32,163	(16,98,168)
Tax expense:			
Current tax		39,00,000	-
Deferred tax		-	-
Profit for the year		1,39,32,163	(16,98,168)
Add: Share in (loss)/profit of associates		6,35,20,110	2,79,61,340
Profit(Loss) for the year after share in (loss)/profit of associates		7,74,52,273	2,62,63,172
Other Comprehensive Income			
Items will not be reclassified to profit & loss			
Add: Share in (loss)/profit of associates		(1,23,127)	79,854
Items will be reclassified to profit & loss		-	-
Total Comprehensive Income		7,73,29,146	2,63,43,025
Earning per share on Equity Shares of Rs. 10 each - Basic & Diluted	21	11.00	3.73

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date

For D. Kothary & Co

Chartered Accountants

Firm Registration No. 105335W

Sd/-

Rahul G. Shah

Partner

Membership No.: 132651

Sd/-

Nivedan Bharadwaj

Managing Director

DIN No. 00040191

Sd/-

Anil Kumar Kukreja

C.F.O

PAN No. AAJPK2353F

For and on behalf of the Board of Directors

Sd/-

Ruchika Bharadwaj

Director

DIN No. 00288459

Sd/-

Megha Chhabra

Company Secretary

Pan No. AVZPC1678E

Place : Mumbai

Date : 30th May 2019

Place : New Delhi

Date : 30th May 2019

Consolidated Cash Flow Statement For The Year Ended March 31, 2019

Particulars	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
A. Cash Flow From Operating Activities :		
Net profit before tax as per statement of profit and loss	1,78,32,163	(16,98,168)
<u>Adjustments for :</u>		
Dividend Income	-	(17,97,500)
Interest Income	-	(1,769)
Interest Expenses	26,18,344	26,67,330
Operating Cash Flow Before Changes in Working Capital	2,04,50,507	(8,30,108)
Changes in current assets and liabilities		
(Increase)/ Decrease in trade receivables	-	-
(Increase)/Decrease in Other Current and Non-Current Assets	35,734	(16,100)
Increase/(Decrease) in Other Current Liabilities	60,566	(18,984)
Cash Generated From Operations	2,05,46,807	(8,65,192)
Payment of Taxes (Net of Refunds)	(30,63,000)	-
Net Cash Flow From Operating Activities (A)	1,74,83,807	(8,65,192)
B. Cash Flow From Investing Activities :		
Dividend Income	17,97,500	17,97,500
Interest income	-	1,769
Net Cash Flow From Investment Activities (B)	17,97,500	17,99,269
C. Cash Flow From Financing Activities :		
(Repayment) / Borrowing from financial institutions/ Others	(1,40,66,776)	11,14,997
Financial Expenses	(26,18,344)	(26,67,330)
Net Cash From / (Used In) Financing Activities (C)	(1,66,85,120)	(15,52,333)
Net Increase In Cash Or Cash Equivalents (A+B+C)	25,96,187	(6,18,255)
Cash And Cash Equivalents At The Beginning Of The Year	5,06,708	11,24,963
Cash And Cash Equivalents As At The End Of The Year	31,02,895	5,06,708

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date

For D. Kothary & Co
Chartered Accountants
Firm Registration No. 105335W

Sd/-
Rahul G. Shah
Partner
Membership No.: 132651

Sd/-
Nivedan Bharadwaj
Managing Director
DIN No. 00040191

Sd/-
Anil Kumar Kukreja
C.F.O
PAN No. AAJPK2353F

For and on behalf of the Board of Directors

Sd/-
Ruchika Bharadwaj
Director
DIN No. 00288459

Sd/-
Megha Chhabra
Company Secretary
Pan No. AVZPC1678E

Place : Mumbai
Date : 30th May 2019

Place : New Delhi
Date : 30th May 2019

Consolidated Statement of Changes in Equity for the year ended 31st March 2019
Note A :- Equity share Capital

PARTICULARS	Note	Amount In Rs.
As at 1st April 2017		7,04,00,000
Changes in Equity share capital during the year		-
As at 31st March 2018		7,04,00,000
Changes in Equity share capital during the year		-
As at 31st March 2019	10	7,04,00,000

Note B : Other Equity

Particulars	Reserves & Surplus			Capital Reserves	Total Other Equity
	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at April 1, 2017	-	-	(7,73,14,042)	-	(7,73,14,042)
Profit for the year	-	-	2,62,63,172	-	2,62,63,172
Other Comprehensive Income for the year, net of Income Tax	-	-	(1,23,127)	-	(1,23,127)
Total Comprehensive Income for the year	-	-	(5,11,73,998)	-	(5,11,73,998)
Dividends/Tax on Dividend	-	-	-	-	-
Reversal of Dividends/Tax on Dividend	-	-	-	-	-
(Short) / excess provision for tax	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-
Balance as at March 31, 2018	-	-	(5,11,73,998)	-	(5,11,73,998)
Profit for the year	-	-	7,74,52,273	-	7,74,52,273
Other Comprehensive Income for the year, net of Income Tax	-	-	(1,23,127)	-	(1,23,127)
Total Comprehensive Income for the year	-	-	2,61,55,148	-	2,61,55,148
Dividends/Tax on Dividend	-	-	-	-	-
Reversal of Dividends/Tax on Dividend	-	-	-	-	-
(Short) / excess provision for tax	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-
Balance as at March 31, 2019	-	-	2,61,55,148	-	2,61,55,148

As per our report of even date
For D. Kothary & Co

Chartered Accountants

Firm Registration No. 105335W

Sd/-
Rahul G. Shah

Partner

Membership No.: 132651

Sd/-
Nivedan Bharadwaj
Managing Director

DIN No. 00040191

Sd/-
Anil Kumar Kukreja
C.F.O

PAN No. AAJPK2353F

For and on behalf of the Board of Directors
Sd/-
Ruchika Bharadwaj
Director

DIN No. 00288459

Sd/-
Megha Chhabra
Company Secretary

Pan No. AVZPC1678E

Place : Mumbai

Date : 30th May 2019

Place : New Delhi

Date : 30th May 2019

1. Company overview

Fortune International Limited is a BSE Listed Company which act as Trading House, Agents, business consultants, give advice, to engage in dissemination of information in all aspects of business, organization and industry and to advise upon the means and methods for extending and developing systems or processes relating to various activities of the business which includes export, production, storage, distribution, marketing and securing of orders for sale of goods in India and abroad and/or relating to the rendering of such services.

2. Basis of preparation of financial statements
a) Accounting convention

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

Certain comparative figures appearing in these financial statements have been regrouped and/or reclassified to better reflect the nature of those items.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

Associates included in consolidation

Name of Enterprises	Country of incorporation	Nature of Business	Controlling Interest
Fortune Stones Limited	India	Granite Mining	36.01%

c) Key accounting judgement, estimates and assumptions

The preparation of the financial statements required the management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

d) Functional and presentation currency

The functional and presentation currency of the Company is the Indian Rupee.

e) Foreign currency transaction

Foreign currency transactions are translated at the exchange rate that approximates the prevalent exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

3. Significant Accounting Policies

The Company has applied the following accounting policies to all periods presented in the financial statements.

Basis of Consolidation**Associates**

Investments in associates are accounted for using the equity method. An associate is an entity over which the Group is in a position to exercise significant influence over operating and financial policies. Goodwill arising on the acquisition of associates is included in the carrying value of investments in associate.

a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts exclusive of excise duty receivable for goods supplied, stated net of discounts, returns and value added taxes. The company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

Sale of Goods and services

Sales are recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer as per terms of contract. Income and fees from services are accounted as per terms of relevant contractual agreements/arrangements.

Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.

Interest & Commission Income

Interest income is recognised on accrual basis as per the terms of relevant contracts or by using the effective interest method, where applicable

Investment income

Incomes from investments are accounted on an accrual basis.

b) Property, Plant and Equipment**Transition to Ind AS:**

The Company has elected to continue with the net carrying value of all its property, plant and equipment recognized as of April 1, 2016 (transition date) as per the previous GAAP and use that carrying value as its deemed cost.

- i) **Recognition and measurement:** Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to an item of fixed asset are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which they are incurred.
- ii) **Depreciation:** Depreciation of other items of Property, Plant and Equipment are provided on a straight line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013 or based on technical evaluation of the asset. Estimated useful life of items of property, plant and equipment are as follows:

Type of Asset	Estimated Useful Life
Furniture & Fittings	10 years
Computers & Printers	3 years
Office Equipment's	5 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company assesses at each balance sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised within operating profit in the Income statement.

c) **Financial Instruments**

Financial Assets

The Company classifies its financial assets in the following categories:

- i) **Financial assets at amortised cost** - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss if any.

Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances.

- ii) **Equity investments** - Investment in subsidiaries/associates are stated at cost. All other equity investments are measured at fair value, except for certain unquoted equity investments which are carried at cost where the fair value of these investments cannot be reliably measured.

- iii) **Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)** – For investments which are not held for trading purposes and where the company has exercised the option to classify the investment as at FVTOCI, all fair value changes on the investment are recognized in OCI. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

- iv) **Financial assets at Fair Value through Profit and loss (FVTPL)** - Financial assets other than the equity investments and investment classified as FVTOCI are measured at FVTPL. These include surplus funds invested in mutual funds etc.

- v) **Impairment of financial assets** - The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Financial liabilities

Initial recognition and measurement

Financial liabilities are measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

Offsetting financial instruments

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

d) Employee benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans:

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:**Gratuity:**

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a Trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it accrues for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

e) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

f) Income Tax**a) Current Income Tax**

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

b) Deferred Tax:

Deferred tax is provided using the balance sheet approach on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity, in which case the deferred tax is recognised in Other Comprehensive Income and equity respectively.

g) Leases**As a lessee**

Lease of assets, where the Company, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Assets acquired on finance lease are capitalised and depreciated as per Company's policy on Property, Plant and Equipment. Finance lease are measured at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised as income in the Statement of profit or loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

h) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Company are segregated.

i) Earnings per share

The Company presents Basic and Diluted earnings per share data for its equity shares. Basic and Diluted earnings per share is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

j) Contingent Liabilities

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

k) Borrowing Costs

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

l) Useful economic lives and impairment of other assets

Property, plant and equipment other than mining rights are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values. The Company also reviews its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in prices, the Company's business plans and changes in regulatory environment are taken into consideration.

The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of the assets.

Consolidated Notes to the financial statements for the year ended March 31, 2019
Note : 4 Property, Plant & Equipment

S. No	Particulars	Gross Block			Depreciation			Net Block	
		As on 01.04.2018	Addition during the year	Deduction during the year	As on 31.03.2019	As on 01.04.2018	Addition during the year	WDV as on 31.03.2019	WDV as on 31.03.2018
I	Tangible Assets								
1	Furnitures & Fixtures	26,87,794	-	-	26,87,794	26,51,068	-	36,726	36,726
2	Office Equipment	35,67,789	-	-	35,67,789	34,65,959	-	1,01,830	1,01,830
3	Air Conditioners	15,09,905	-	-	15,09,905	14,41,345	-	68,560	68,560
4	Computer	21,250	-	-	21,250	20,187	-	1,063	1,063
	Total	77,86,738	-	-	77,86,738	75,78,559	-	2,08,179	2,08,179
	Previous Year Figure	77,86,738	-	-	77,86,738	75,78,559	-	2,08,179	2,08,179

Consolidated Notes to the financial statements for the year ended March 31, 2019

PARTICULARS	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
Note 5 :- Investments (Non Current)		
Investment in Associate		
17,97,500 equity shares of Fortune Stones Limited of Rs. 10 each fully paid up	3,70,31,025	3,70,31,025
Add : Share in Profit from Associates	8,96,40,676	2,80,41,193
Total	12,66,71,701	6,50,72,218
Note 6 :- Other Non Current Assets (Unsecured, Considered Good)		
(a) Income tax Refund Receivable	10,10,377	10,10,377
Total	10,10,377	10,10,377
Note 7 :- Trade Receivables (Unsecured)		
Considered Good	-	-
Considered Doubtful	4,52,04,860	4,52,04,860
Less : Allowance for Bad and Doubtful Debts	-	-
Total	4,52,04,860	4,52,04,860
10% amount of invoice value which is payable by Ministry of Food, Government of Bangladesh after inspection of the goods and other formalities has not yet received inspite of serious efforts made by the company, amounting to Rs.2,14,47,920/- is outstanding since last 15 years and seems doubtful of recovery. Balance of Trade Receivable Rs. 2,37,56,940/- is subject to confirmation and doubtful of recovery		
Note 8 :- Cash And Cash Equivalents		
Balances with banks	31,02,895	5,06,708
(i) In current accounts	-	-
Cash on hand	-	-
Total	31,02,895	5,06,708
Note 9 :- Other Current Assets		
Advance to suppliers	-	17,250
GST Input Receivable	19,704	38,188
Total	19,704	55,438

NOTE 10 (a) :- EQUITY CAPITAL

PARTICULARS	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
AUTHORISED SHARE CAPITAL		
71,60,000 (Previous Year 71,60,000) Equity Shares of Rs.10 each	7,16,00,000	7,16,00,000
40,000 (Previous Year 40,000) 10% Cumulative preference shares of Rs.10 each	4,00,000	4,00,000
Total	7,16,00,000	7,16,00,000
ISSUED, SUBSCRIBED AND PAID UP		
70,40,000 (Previous Year 70,40,000) Equity Shares of Rs.10 each fully paid up	7,04,00,000	7,04,00,000
Total	7,04,00,000	7,04,00,000

NOTE 10 (b) :- The company has only one class of equity with a par value of Rs. 10/- per share. Each holder of equity shares is entitle to one vote per share.

NOTE 10 (c) :- The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2019 and March 31, 2018 is set out below

PARTICULARS	As at March 31, 2019		As at March 31, 2018	
	No. of shares held	Amount In Rs.	No. of shares held	Amount In Rs.
Equity Shares				
Number of shares at the beginning	70,40,000	7,04,00,000	70,40,000	7,04,00,000
Add: Fresh Issue	-	-	-	-
Add: Bonus Shares	-	-	-	-
Less: Buy Back	-	-	-	-
Number of shares at the end	70,40,000	7,04,00,000	70,40,000	7,04,00,000

NOTE 10 (d) :- Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares held	% holding	No. of shares held	% holding
Equity shares with voting rights				
Ruchika Bharadwaj	37,26,868	52.94%	37,26,868	52.94%
Quest Profin Advisor Pvt Ltd	6,00,000	8.52%	6,00,000	8.52%
Pankaj Paliwal	5,41,996	7.70%	5,41,996	7.70%
Nimesh N. Shah	3,90,000	5.54%	3,90,000	5.54%
Kalpesh R. Koradia	3,90,000	5.54%	3,90,000	5.54%

PARTICULARS	As at March 31, 2019 Amount In Rs.	As at March 31, 2018 Amount In Rs.
Note 11: Other Equity		
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(5,09,71,017)	(7,73,14,042)
Add: Profit / (Loss) for the year	7,73,29,146	2,63,43,025
	2,63,58,129	(5,09,71,017)
Total	2,63,58,129	(5,09,71,017)

Note 12 :- Borrowings (Non Current)		
Unsecured		
Loan from financial institution	2,38,17,975	2,16,03,973
Loan from body corporate	-	15,80,778
Loan from directors and relatives	5,46,59,904	6,93,59,904
Total	7,84,77,879	9,25,44,655
Note 13 :- Other Current Liabilities (Current)		
(a) Statutory liabilities	64,071	26,879
(b) Other Payable	80,637	57,263
Total	1,44,708	84,142

PARTICULARS	2018-2019 Amount in Rs.	2017-2018 Amount in Rs.
Note 14 :- Revenue from operation		
Commission Income	2,12,60,000	-
Total	2,12,60,000	-
Note 15 :- Other Incomes		
Dividend Income	-	17,97,500
Interest on IT Refund	-	1,769
Total	-	17,99,269

Note 16 :- Employee Benefit Expenses		
Directors remuneration	1,20,000	1,20,000
Salary, wages, bonus and allowances	71,309	64,503
Total	1,91,309	1,84,503
Note 17 :- Finance Costs		
(b) Bank charges	,726	27,322
(c) Interest on Unsecured Loan	26,17,618	26,40,008
Total	26,18,344	26,67,330
Note 18 :- Other Expenses		
Printing & Stationery Expenses	52,555	35,033
Postage & Courier Expenses	45,371	44,230
Auditors Remuneration	20,000	20,000
Miscellaneous Expenses	24,706	1,004
Rates & Taxes	6,693	4,334
Professional Charges	4,27,492	4,99,934
Advertisement & Publicity	40,257	41,034
Interest ON TDS	1,110	36
Total	6,18,184	6,45,605

Note : 19 There is no contingent liabilities during the year

Note : 20 Related party transactions

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

20.1 Relationships during the year

(A) Key Managerial Personnel

Mr. Nivedan Bharadwaj
Mrs. Ruchika Bharadwaj
Mrs. Rekha Shrivastava

(B) Enterprises over which Key Management Personnel have Significant Influence

ISS International Ltd.
Double Fortune Private Limited
Auctus Mining LLP (99.99%)
Astrum Mining LLP (99.99%)
Festino Mining LLP (99.99%)
Sterlite Mining LLP (99.99%)

20.2 Related party transactions during the year

Particulars	2018-19	2017-18
(A) Transactions with related parties during the year :		
Remuneration		
Nivedan Bharadwaj	1,20,000	1,20,000
(B) Balances outstanding at the end of the year		
Loans Payable		
Ruchika Bharadwaj	5,03,60,000	6,50,60,000
Rekha Shrivastava	42,99,904	42,99,904

Note : 21 Earnings per share

Particulars	As At March 31, 2019	As At March 31, 2018
Net profit after tax as per statement of profit and loss	7,74,52,273	2,62,63,172
Weighted average number of equity shares outstanding during the year	70,40,000	70,40,000
Nominal value per equity share	10	10
Basic & Diluted earnings per share	11.00	3.73

Note : 22 The Company has not received intimation from most of the suppliers regarding the status under the Micro, Small and Medium Enterprise Development Act, 2006, and hence disclosure requirements in this regard as per schedule III of the Companies Act, 2013 is not being provided.

Note : 23 Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year

As per our report of even date

For D. Kothary & Co
Chartered Accountants
Firm Registration No. 105335W

Sd/-
Rahul G. Shah
Partner
Membership No.: 132651

Place : Mumbai
Date : 30th May 2019

Sd/-
Nivedan Bharadwaj
Managing Director
DIN No. 00040191

Sd/-
Anil Kumar Kukreja
C.F.O
PAN No. AAJPK2353F

Place : New Delhi
Date : 30th May 2019

For and on behalf of the Board of Directors

Sd/-
Ruchika Bharadwaj
Director
DIN No. 00288459

Sd/-
Megha Chhabra
Company Secretary
Pan No. AVZPC1678E

FORTUNE INTERNATIONAL LIMITED

CIN: L52324DL1981PLC012033

Regd: G-4 Community Centre, Naraina Vihar, New Delhi- 110028

Tel: 011-25774212-214, 25771629 Email: fil12033@gmail.com

Website : www.fortuneinternational.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):		E-mail id:	
Registered address:		Folio No./ *DP id and Client id:	

*Applicable for investors holding shares in electronic form

I/We, being the member (s) of shares of the above-named company hereby appoint

1	Name of the member(s):		E-mail id:	
	Address		Signature	

or failing him

2	Name of the member(s):		E-mail id:	
	Address		Signature	

or failing him

3	Name of the member(s):		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 Thirty Seventh Annual General Meeting of the company, to be held on 30th day of September, 2019 at 10:00 a.m. at Amarai Farms, Khasra No. 375, Village Kapashera, near Police Chowki, Old Delhi-Gurgaon road, Kapashera, New delhi-110037 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No	Resolutions
1	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements including Balance Sheet as at 31 st March, 2019 and the Profit and Loss Account for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.
2	To appoint a Director in place of Mrs. Ruchika Bharadwaj (DIN: 00288459) who retires by rotation and being eligible offers herself for re-appointment.
3	To ratify the appointment of M/s. D. Kothary & Co, Chartered Accountants, as Statutory Auditors of the Company and authorise the Board to fix their remuneration.
4	To regularise the appointment of Mr. Sanjay Seth (DIN-00316091) as an Independent Director of the Company
5	To re-appoint Mr. Nivedan Bharadwaj as a Managing Director of the Company

Signature of shareholder

Signature of Proxy holder(s)

Signed this..... day of..... 20....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

FORTUNE INTERNATIONAL LIMITED

CIN: L52324DL1981PLC012033

Regd: G-4 Community Centre, Naraina Vihar, New Delhi- 110028

Tel: 011-25774212-214, 25771629 Email: fil12033@gmail.com

Website: www.fortuneinternational.in**ATTENDANCE SLIP**37th Annual General Meeting –30th September, 2019

Name and Address of the Shareholder
Name of Proxy, If any
Registered Folio/ DP ID & Client ID
No. of Shares held

I/ We hereby record my presence at the 37th Annual General Meeting of the Company being held on 30th September, 2019 at Amarai Farms, Khasra No. 375, Village Kapashera, near Police Chowki, Old Delhi-Gurgaon road, Kapashera, New delhi-110037.

Signature of the Shareholder /Proxy Present

Note : Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

BALLOT PAPER

S. No.	Particulars	Details
1	Name of the First Named Shareholder (In block letters)	
2	Postal Address	
3	Registered Folio No/ *DP ID-Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

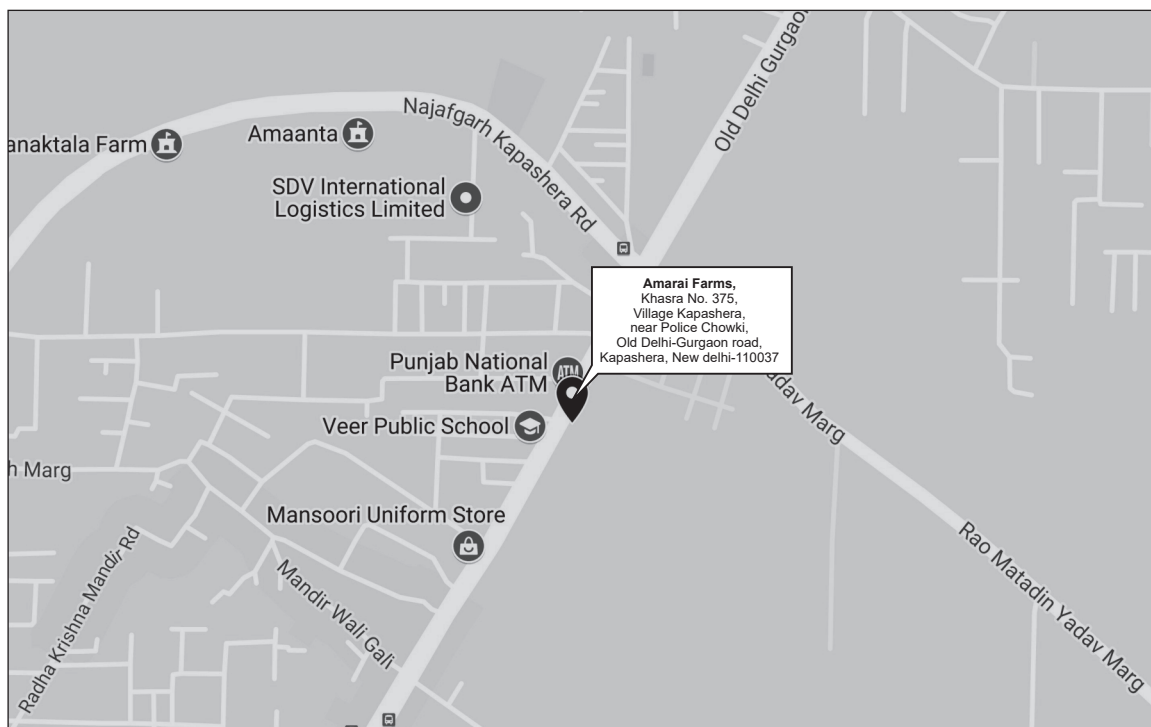
S. No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements including Balance Sheet as at 31st March, 2019 and the Profit and Loss Account for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.			
2	To appoint a Director in place of Mrs. Ruchika Bharadwaj (DIN: 00288459) who retires by rotation and being eligible offers herself for re-appointment.			
3	To ratify the appointment of M/s. D. Kothary & Co, Chartered Accountants, as Statutory Auditors of the Company and authorise the Board to fix their remuneration.			
4	To regularise the appointment of Mr. Sanjay Seth (DIN-00316091) as an Independent Director of the Company			
5	To re-appoint Mr. Nivedan Bharadwaj as a Managing Director of the Company			

Place :

Date :

(Signature of the shareholder)

LOCATION TO THE ANNUAL GENERAL MEETING



If undelivered please return to:

FORTUNE INTERNATIONAL LTD.

REGISTERED OFFICE :

G-4, C-Block, Community Centre,
Naraina Vihar, New Delhi-110 028