

BATHIYA

& ASSOCIATES LLP CHARTERED ACCOUNTANTS

Independent Auditors' Report

To The Board of Directors

Fortune Financial Services (India) Limited.

We have audited the accompanying standalone financial results (the "Statement") of **Fortune Financial Services (India) Limited** (the "Company") for the year ended March 31, 2017 being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which has been initialed by us for identification purpose. This Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared on the basis of the related financial statements which are in accordance with the accounting standards prescribed under Section 133 of the Companies Act, 2013 ("Accounting Standards"), as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

We have conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement(s).

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- I. Is presented in accordance with the Requirement of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- II. Gives a true and fair view in conformity with the aforesaid Accounting Standards and the other accounting principles generally accepted in India for the net profit and other financial information of the Company for the year ended March 31, 2017.
- III. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Bathiya & Associates LLP,

Chartered Accountants

Firm Registration No. 101046W / W100063

Umesh B. Lakhani

Umesh B. Lakhani,

Partner

Membership No. 044981



Place: Mumbai

Date: May 17, 2017

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CIN : L65910MH1991PLC062067; E mail : cosecretary@ffsil.com; Website: www.fortune.co.in

Statement of audited standalone financial results for the Quarter and Year ended March 31, 2017

(Rupees in lakhs)

Sr.No	Particulars	Quarter ended			Year ended	
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
		Audited (Refer Note No.11)	Unaudited	Audited (Refer Note No.11)	Audited	Audited
1	Income from operations					
	a) Income from operations	1,061.29	108.82	213.20	1,235.95	325.19
	b) Other income	(146.38)	229.80	3.02	550.64	27.33
	Total Income (a+b)	914.91	338.62	216.22	1,786.59	352.52
2	Expenses					
	a) Purchase of trading goods	736.66	-	-	736.66	-
	b) Employee benefits expense	50.93	51.12	78.84	278.56	149.95
	c) Finance costs	356.66	31.69	15.16	394.88	22.91
	d) Depreciation and amortisation expense	1.75	1.52	0.90	5.63	3.67
	e) Administration and other expense	183.22	159.47	76.70	542.92	232.21
	Total Expenses (a+b+c+d+e)	1,329.22	243.80	171.60	1,958.65	408.74
3	Profit/(Loss) before exceptional and extraordinary items and taxes (1-2)	(414.31)	94.82	44.62	(172.06)	(56.22)
4	Exceptional Items	-	60.00	-	317.98	68.75
5	Profit/(Loss) before extraordinary Items and taxes (3+4)	(414.31)	154.82	44.62	145.92	12.53
6	Extraordinary items	-	-	-	-	-
7	Profit/(Loss) from Ordinary Activities before tax (5+6)	(414.31)	154.82	44.62	145.92	12.53
8	Tax Expense:					
	- Current tax	(25.00)	25.00	1.40	75.00	1.40
	- Tax in respect of earlier years	0.53	-	-	0.53	-
	- Deferred tax	(2.94)	(0.80)	0.30	(1.37)	0.24
	Net Profit/(Loss) from Ordinary Activities after tax (7-8)	(386.90)	130.62	42.92	71.76	10.89
10	Paid-up equity share capital (Face value Rs.10/- per share)	5,192.38	5,102.38	2,834.60	5,102.38	2,834.60
11	Reserves (excluding revaluation reserves)	-	-	-	36,904.82	18,690.84
12	Earning per Share before and after extraordinary items (Not annualised) (on weighted average number of shares) (Face value of Rs.10 each)					
	- Basic (Rupees)	(0.78)	0.26	0.15	0.14	0.03
	- Diluted (Rupees)	(0.78)	0.26	0.15	0.14	0.03



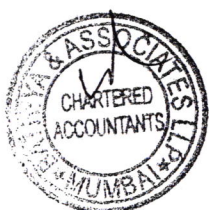
Notes:

- 1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on May 17, 2017.
- 2) The scheme of amalgamation ("Proposed Scheme") for amalgamation of The Investment Trust of India Ltd (Formerly known as ITI Wealth Management Private Limited) with the Company with effect from January 01, 2016 (appointed date) is approved by the Hon'ble Bombay High Court. However, approval to the Proposed Scheme from Hon'ble Chennai High Court/National Company Law Tribunal (NCLT) and other applicable regulatory authorities are yet to be received. Pending approval of the Proposed Scheme, no effect of the Proposed Scheme has been given in these financial results.
- 3) The Scheme of Arrangement ("Proposed Scheme") between United Petro Finance Limited ('UPFL' or the 'Demerged Company') and Fortune Credit Capital Limited ('FCCL' or the 'Resulting Company') Company and their respective shareholders providing for the demerger of Lending Business ('NBFC Business') of UPFL to FCCL (Wholly Owned Subsidiary of Company), and issue of equity shares of the Company to the shareholders of UPFL with effect from March 31, 2017 (appointed date) was approved by the Board of Directors of the respective Companies on March 31, 2017. However, the approval to the Proposed Scheme from National Company Law Tribunal (NCLT), Reserve Bank of India (RBI) and other applicable regulatory authorities are yet to be received. Pending the approval of the Proposed Scheme, no effect of the Proposed Scheme has been given in these financial results.
- 4) The Scheme of Amalgamation ("Proposed Scheme") for amalgamation of Fortune Integrated Assets Finance Limited ('FIAFL' or the 'Transferor Company') with Company and their respective shareholders with the Company with effect from March 31, 2017 (appointed date) was approved by the Board of Directors of the respective Companies on April 25, 2017. However, the approval to the Proposed Scheme from National Company Law Tribunal (NCLT), Reserve Bank of India (RBI) and other applicable regulatory authorities are yet to be received. Pending the approval of the Proposed Scheme, no effect of the Proposed Scheme has been given in these financial results.
- 5) Exceptional item represents profit on sale of investments and sale of rights in property.
- 6) During the quarter, the Company has invested a sum of Rs. 8,004 lakhs in ITI Reinsurance Limited (subsidiary Company) by subscribing to 5,33,60,000 equity shares of Rs. 10 each fully paid at a premium of Rs. 5 per equity share on rights basis.
- 7) During the quarter, the Company has invested a sum of Rs. 603.20 lakh in associate company United Petro Finance Ltd by subscribing to 41,60,000 equity shares of Rs. 10 each fully paid at a premium of Rs. 4.50 per equity share on right basis.
- 8) **Consolidated information:**

Particulars	Quarter ended			(Rupees in lakhs)	
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
	Audited (Refer Note No.11)	Unaudited	Audited (Refer Note No.11)	Audited	Audited
Income from Operation	5,550.17	3,787.36	2,894.07	16,838.41	14,153.11
Profit / (loss) before tax	891.84	711.33	(2.17)	3,243.92	704.36
Profit/ (loss) for the period	256.89	568.42	(32.04)	2,075.31	308.45

- 9) The figures for corresponding previous periods/years have been restated/regrouped, rearranged and reclassified wherever necessary.
- 10) Consolidated results for the quarter ended March 31, 2017 are available on the website of the Company www.fortune.co.in
- 11) The figures for the quarter ended March 31, 2017 and March 31, 2016 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter ended December 31, 2016 and December 31, 2015 respectively.

Mumbai, June 21, 2017
Please visit us at www.fortune.co.in



For and on behalf of the Board

Chintan V. Valia

Chintan V. Valia
Director
DIN: 05333936

Statement of Standalone Assets and Liabilities

(Rupees in lakhs)

Sr.No.	Particulars	As at	
		31.03.2017	31.03.2016
		Audited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	5,102.38	2,834.60
	b) Reserves and surplus	36,904.82	18,690.84
	Sub total - Shareholder's funds	42,007.20	21,525.44
2	Share application money pending allotment	-	1.97
3	Non-Current liabilities		
	a) Long-term provisions	4.56	-
	Sub total - Non-Current liabilities	4.56	-
4	Current liabilities		
	a) Short-term borrowings	19,696.00	604.50
	b) Trade payables	-	-
	c) Other current liabilities	5,812.83	128.84
	d) Short-term provisions	0.64	8.68
	Sub total - Current liabilities	25,509.47	742.02
	TOTAL EQUITY AND LIABILITIES	67,521.23	22,269.43
B	ASSETS		
1	Non-current assets		
	a) Fixed assets	12.17	11.73
	b) Non - Current investments	64,231.95	20,792.81
	c) Deferred tax assets (net)	12.34	10.98
	d) Long-term loans and advances	204.01	233.94
	e) Other non-current assets	55.11	-
	Sub total - Non-current assets	64,515.58	21,049.46
2	Current assets		
	a) Current investments	-	-
	b) Inventories	-	-
	c) Trade receivables	254.50	214.18
	d) Cash and cash equivalents	48.55	95.04
	e) Short-term loans and advances	2,478.03	891.41
	f) Other current assets	224.57	19.34
	Sub total - Current assets	3,005.65	1,219.97
	TOTAL ASSETS	67,521.23	22,269.43

