

**24th**  
**ANNUAL REPORT 2020-2021**

**FALCON REAL ESTATE (P) LTD.**

A/22, Falcon House, 1<sup>st</sup> Floor, Cuttack Road,  
Bhubaneswar- 751 006, Orissa.  
Phone (0674) 2571976.

## NOTICE OF THE ANNUAL GENERAL MEETING

The 24th Annual General Meeting of Falcon Real Estate Private Limited CIN NO. U70101OR1997PTC004990 will be held at the registered office of the Company at A/22, Cuttack Road, Falcon House on Monday the 22nd November, 2021 at 11.30 A.M to transact the following business.

### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors Report and the Statement of Profit and Loss Account for the year ended 31.03.2021 and the Balance Sheet as at that date.
2. To appoint a Director in place of Sh. Parthajeet Patnaik (DIN-02166686) who retires by rotation and being eligible, offers himself for reappointment.
3. Appointment of Auditors  
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 section 139 and all other applicable provisions, if any, of the Companies Act,2013 and the Companies(Audit and Auditors) Rule,2014 as amended from time to time, the Company hereby appoints M/s SRB & Associates, Chartered Accountants (Firm Registration No.310009E),as Auditors of the Company to hold office from the conclusion of this Annual General Meeting(AGM) till the conclusion of the twenty third AGM of the Company to be held in the year 2021, to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors"

By Order of the Board

FOR FALCON REAL ESTATE (P) LTD.



**PARTHAJEET PATNAIK**  
Director



Date : 30<sup>th</sup> October, 2021  
Place : Bhubaneswar

(1)

FALCON REAL ESTATE PVT. LTD.

## **NOTES :**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. However the instrument of proxy should be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. All queries relating to Accounts must be sent to the company at least 10 days before the meeting.

## DIRECTORS' REPORT

**TO THE MEMBERS OF FALCON REAL ESTATE (P) LIMITED.**

The Directors have pleasure in presenting the 24th Annual Report along with the audited accounts of the company for the 12 month period ended 31.03.2021

### COMPANY'S PERFORMANCE:

During the year the company has recognized revenue in the books of account of receipts from its project 'Falcon Crest' for the financial year 2020-2021, the details of the working result for the year are as under:

**Figures are in Rs. Lakhs**

<b>Financial Results</b>	<b>Amount</b>
Income from Operations	3115.30
Other Income	34.92
Total Revenue	3150.21
Total Expenses	2715.85
Profit /(Loss)from Operation	434.36
Provision for Income Tax	114.67
Provision for Deferred Tax Asset	3.02
Net Profit after Tax	322.71

### REVIEW OF PERFORMANCE:

The Company has earned a reputation for providing qualitative housing flats to its customers in due time. In the forth coming years the company has planned to start some new residential projects, Hotel Projects, Commercial Complexes, and Studio Apartments in prime location in cities of Puri, Paradeep and Bhubaneswar etc for which the company already has acquired land in prime locations in these cities.

### AUDITORS :

M/S SRB Associates, Chartered Accountants the existing auditor, will retire at ensuing Annual General Meeting and are eligible for re-appointment. The Board of Directors of the Company have proposed the appointment of M/S SRB Associates, Chartered Accountants as the Auditor of the Company from the conclusion of the 24th AGM to 25th AGM of the Company to be held in the year 2022, to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

(3)

**DIVIDEND :**

Since the Company proposes to spend more amount on its grounded projects at Puri, Paradeep and Bhubaneswar. It has decided to retain its internal accruals to strengthen the capital base of the company. In view of this the directors do not recommend any dividend for the year-2020-2021.

**EXTRACT OF THE ANNUAL RETURN:**

As provided U/s 92(3) of the Act, the extract of annual return is given in Annexure I in the prescribed form MGT-9, which forms part of this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

Though the company has commenced its operation but since energy, technical and technology absorption place a very little part it has no comments to offer under the above head.

**FOREIGN EXCHANGE EARNINGS/OUTGO:**

N.A.

**PARTICULARS OF EMPLOYEES:**

The provisions pursuant to section 197 of the companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and remuneration of managerial personnel) Rule 2014 are not yet applicable to the company.

**DIRECTORS RESPONSIBILITY STATEMENT**

As required under Section 134(5) of the Companies Act, 2013 the Directors hereby confirm that:

- i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for that period;

- iii) The Directors had 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;
- iv) The Directors had prepared the annual accounts on a 'going concern' basis.

**APPRECIATION:**

Your Company and its Directors wish to offer their sincere thanks to their Bankers, Customers, Employees and various Government Departments for extending their valuable support for the early implementation and completion of its projects. Your Directors express their appreciation for the dedicated and sincere services rendered by the employee of the company. Your Directors sincerely thank the shareholders for their confidence bestowed on the company and continued support extended to the company.

Date : 30<sup>th</sup> October, 2021  
Place : Bhubaneswar

**For and on Behalf of the Board.**

  
**PARTHAJEET PATNAIK**  
Director





## INDEPENDENT AUDITOR'S REPORT

TO ,The Members of Falcon Real Estate Private Limited

Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of Falcon Real Estate Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, the statement of Profit and Loss, and the statement of cash flows for the year then ended, 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 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 state of affairs of the Company as at March 31, 2021, its profit and its cash flows for the year ended on that date.

### Basis for Opinion

2. 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 there under, 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.

3. **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.





**Information other than the financial statements and auditors' report thereon**

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management report but does not include the financial statements and our auditor's report thereon.
5. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
7. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibility of Management for Financial Statements**

8. 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 financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.







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CHARTERED ACCOUNTANTS

10. The Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

11. 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.
12. 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.
  - Obtained 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.

### **Report on Other Legal and Regulatory Requirements**

13. 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.
14. 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 and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the 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 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13,2017.
  - (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:



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- a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SRB & Associates**  
Chartered Accountants  
Firm Registration: No-310009E

**Dillip Kumar Jena, F.C.A**  
Partner

Membership No: 066017

UDIN : 21066017AAAA DG 8576



Bhubaneswar  
Dt. 30<sup>th</sup> September 2021



**SRB & Associates**

CHARTERED ACCOUNTANTS

## Annexure to the Independent Auditors' Report

The **Annexure - A** of our Independent Auditors' Report of even date on the standalone financial statements as at end for the year ended 31 March 2021 of **Falcon Real Estate Private Ltd.**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) A major portion of fixed assets have been physically verified by the Management in accordance with a phased programme of verification adopted by the company, which, in our opinion, the frequency of the verification is reasonable. To the best of our knowledge, no material discrepancies have been noticed on such verification.  
(c) According to the information and explanation and the records provided to us the title deeds of the immovable properties are held in the name of the company.
2. The management has conducted physical verification with respect to Land, Completed buildings, construction work in progress, construction and development material and development rights in identical land at reasonable intervals. The discrepancies between the physical stocks and the book stocks, which have been properly dealt with in the books of account, were not significant.
3. The Company has not granted any loan, secured or unsecured, to companies, firm, and Limited liabilities partnership or other parties covered in the register, maintained under section 189 of the Companies Act 2013, hence reporting under sub-clause (a), (b) and (c) of the paragraph are not applicable.
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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any Other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. According to the information and explanations given to us, Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods & Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.  
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.





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9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided 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, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For SRB & Associates  
Chartered Accountants  
Firm Regn. No : 310009E**



  
**(DILLIP KUMAR JENA, FCA)  
Partner**

**M.N-066017**

**UDIN: 21066017AAAADG8576**

Place : Bhubaneswar

Date : 30<sup>th</sup> September 2021



# FALCON REAL ESTATE (P) LIMITED

A/22, 1ST FLOOR, FALCON HOUSE, CUTTACK ROAD, BHUBANESWAR - 751006

## BALANCE SHEET AS AT 31ST MARCH, 2021

CIN :-U70101OR1997PTC004990

Particulars	NOTE	AS AT 31st MAR, 2021 (Rs)	AS AT 31st March, 2020 (Rs)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's funds</b>			
a) Share Capital	"3"	352,07,000	352,07,000
b) Surplus	"4"	2683,06,611	2398,12,568
		<b>3035,13,611</b>	<b>2750,19,568</b>
<b>2 Non- current liabilities</b>			
a) Long-term Borrowings	"5"	2916,02,225	1886,13,239
b) Deffered tax Liabilities	"12"	4,98,889	8,00,933
c) Other Long term Liabilities	"6"	164,73,287	164,73,287
		<b>3085,74,401</b>	<b>2058,87,459</b>
<b>3 Current liabilities</b>			
a) Short-term Borrowings	"7"	-	-
b) Trade Payables	"8"	258,90,076	224,49,171
c) Other Current Liabilities	"9"	818,47,249	953,59,569
d) Short-term Provisions	"9"	432,12,182	218,44,340
		<b>1509,49,507</b>	<b>1396,53,079</b>
		<b>7630,37,519</b>	<b>6205,60,106</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
a) Property, Plant and Equipment	"10"	102,67,562	33,03,382
		<b>102,67,562</b>	<b>33,03,382</b>
b) Non-Current Investments	"11"	226,16,000	226,16,000
c) Long Term Loans and Advances	"13"	884,17,995	883,02,713
		<b>1110,33,995</b>	<b>1109,18,713</b>
<b>2 Current assets</b>			
a) Current Investments	"14"	57,12,254	7,02,566
b) Inventories	"15"	2387,97,410	1675,50,410
c) Trade Receivables	"16"	2203,05,440	2304,29,876
d) Cash & Cash Equivalents	"17"	341,01,554	286,06,524
e) Short- Term Loans & Advances	"18"	822,18,559	418,84,806
f) Other Current Assets	"19"	606,00,745	371,63,830
		<b>6417,35,962</b>	<b>5063,38,011</b>
		<b>7630,37,519</b>	<b>6205,60,106</b>

III. Significant Accounting Policies  
Notes on Financial Statements

1  
2-24

As per our report of even date.

For SRB & ASSOCIATES

Chartered Accountants

F.R.N :-310009E

DILLIP KUMAR JENA, FCA

PARTNER

M.No:-066017

Place : Bhubaneswar

Date : 30th september, 2021

For & On behalf of the Board of Directors

*Parthajeet Patnaik Adyasha Patnaik*

(PARTHAJEET PATNAIK)

DIRECTOR

DIN.02166686

(ADYASHA PATNAIK)

DIRECTOR

DIN.05116404



# FALCON REAL ESTATE (P) LIMITED

A/22, 1ST FLOOR, FALCON HOUSE, CUTTACK ROAD, BHUBANESWAR - 751006

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

CIN : U70101OR1997PTC004990

PARTICULARS	NOTE	AS AT 31st MAR, 2021	AS AT 31st March, 2020
I. Revenue From Operations	"20"	3115,29,549	5231,04,272
II. Other income	"21"	34,91,531	18,29,826
III. Total Revenue		<b>3150,21,080</b>	<b>5249,34,098</b>
IV. Expenses			
Employees Benefits Expenses	"22"	227,87,554	231,92,178
Financial Cost	"24"	145,45,136	104,63,188
Depreciation	"10"	37,50,953	7,26,215
Administrative & Operating Expenses	"23"	2305,01,376	4415,51,449
Total Expenses		<b>2715,85,019</b>	<b>4759,33,030</b>
V Profit Before Exceptional Items and Tax		434,36,061	490,01,068
VI Tax Expenses			
Current Tax		(114,67,132)	(122,23,839)
Deferred Tax		3,02,044	(1,49,620)
VI. Profit for the period		<b>322,70,973</b>	<b>366,27,609</b>

VII. Earning per equity share (face value of Rs. 100/- each)

    Basic /Diluted EPS

91.66

104.04

VIII. Significant Accounting Policies

    Notes on Financial Statements

    As per our report of even date.

For SRB & ASSOCIATES

Chartered Accountants

F.R.N :-310009E

  
DILLIP KUMAR JENA, FCA  
PARTNER  
M.No:-066017

For & On behalf of the Board of Directors

(PARTHAJEET PATNAIK)

DIRECTOR  
DIN.02166686

(ADYASHA PATNAIK)

DIRECTOR  
DIN.05116404

 



Place : Bhubaneswar

Date : 30th September, 2021



## NOTES

		As at 31-03-2021	As at 31-03-2020
		(Rs)	(Rs)
<b>NOTE - 3 : SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
10,00,000 (PY-10,00,000) Equity Shares of Rs.100/- each		1000,00,000	100,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>			
3,52,070 (PY-3,52,070) equity shares of Rs. 100/- each fully paid up		352,07,000	352,07,000
		<b>352,07,000</b>	<b>352,07,000</b>
<b>3.1 The reconciliation of the number of shares outstanding is set out below:</b>			
<b>Particulars</b>		<b>AS AT 31.03.2021</b>	<b>AS AT 31.03.2020</b>
		<b>No of Shares</b>	<b>No of Shares</b>
Equity shares at the beginning of the year		3,52,070	3,52,070
Add: Issued during the year		-	-
Less: Shares forfeited/Bought back during the year		-	-
Equity shares at the end of the year		<b>3,52,070</b>	<b>3,52,070</b>
<b>3.2 The details of share holders holding more than 5% shares:</b>			
<b>Name of the share holder</b>	<b>%</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
		<b>No of Shares</b>	<b>No of Shares</b>
Falcon Marine Export Ltd	16.47	57,977	57,977
Prava Ranjan Patnaik	7.87	27,700	27,700
Tara Ranjan Patnaik	7.01	24,690	24,690
Adyasha Patnaik	30.46	1,07,240	1,07,240
Parthajeet Patnaik	35.65	1,25,503	1,25,503
<b>NOTE - 4 : RESERVE &amp; SURPLUS</b>			
<b>a) Surplus</b>			
As per last Balance Sheet		2398,12,568	2031,84,959
Less: Mat Credit Reversed		37,76,930	
Add: Profit after tax for the year		322,70,973	366,27,609
Add:MAT Credit Entitlement		-	-
		<b>2683,06,611</b>	<b>2398,12,568</b>
<b>NOTE - 5 : LONG TERM BORROWINGS</b>			
<b>a) Term Loans</b>			
<b>From Banks</b>			
I) Covid Loan from HDFC Bank		153,00,000	
II) Loan Against Property from HDFC Bank		600,00,000	
<b>From Related parties</b>		1840,04,725	1563,15,739
<b>From Other parties</b>		-	-
i) Unsecured Loan		322,97,500	322,97,500
		<b>2916,02,225</b>	<b>1886,13,239</b>





<b>NOTE - 6 : OTHER LONG TERM LIABILITIES</b>		<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
		<b>(Rs)</b>	<b>(Rs)</b>
	Advance From Parties	164,73,287	164,73,287
		<b>164,73,287</b>	<b>164,73,287</b>
<b>NOTE - 07 : TRADE PAYABLES</b>			
	Others	258,90,076	224,49,171
		<b>258,90,076</b>	<b>224,49,171</b>
<b>NOTE - 08 : OTHER CURRENT LIABILITIES</b>			
a)	Current Maturities of long term debts		
	Working Capital Loan from HDFC	548,77,883	740,45,839
	WCDL	200,00,000	200,00,000
	Term Loan from HDFC(Veichle)	57,88,736	-
b)	<b>Other Payables</b>		
	TDS Payable	10,84,333	12,61,009
	Professional Tax Payable	89,275	45,700
	Advance received From Customers(Residency)	7,021	7,021
		<b>11,80,629</b>	<b>13,13,730</b>
		<b>818,47,249</b>	<b>953,59,569</b>
<b>NOTE - 9 : SHORT TERM PROVISIONS</b>			
a)	Salary Payable	7,27,735	6,52,705
	Director's remuneration payable	79,000	-
b)	Audit Fees payable	1,80,000	1,80,000
c)	Provision For Income Tax	365,39,526	128,83,395
d)	EPF Payable	73,915	61,198
e)	ESI Payable	15,186	7,010
f)	GST Payable	55,96,820	80,60,032
		<b>432,12,182</b>	<b>218,44,340</b>
<b>NOTE - 11 : NON CURRENT INVESTMENTS</b>			
	<b>In Equity Shares of associates companies</b>		
	<b>Trade, Unquoted fully paid up</b>		
(i)	Falcon Finance Ltd.		
	(2261600 shares having face value of Rs. 10/-each)	226,16,000	226,16,000
		<b>226,16,000</b>	<b>226,16,000</b>
<b>NOTE - 12 : DEFFERED TAX ASSETS/LIABILITY (net)</b>			
	<b>Deferred Tax Liability</b>		
	Relating to Fixed Assets		
	Opening Balance	8,00,933	6,51,313
	Provision during the year	(3,02,044)	1,49,620
		<b>4,98,889</b>	<b>8,00,933</b>



<b>NOTE - 13 : LONG TERM LOANS AND ADVANCES</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
	<b>(Rs)</b>	<b>(Rs)</b>
<b>Capital Advances</b>		
<b>Security Deposit</b>		
Unsecured, Considered good (Deposit with BSNL & Sale Tax Deptt)	8,14,621	8,14,621
<b>Other Loans &amp; Advances</b>		
Advance for Land	876,03,374	874,88,092
	<b>884,17,995</b>	<b>883,02,713</b>
<b>NOTE - 14 : CURRENT INVESTMENTS</b>		
<b>In Equity Shares of associates companies</b>		
<b>Trade, Unquoted fully paid up</b>		
<i>Other Investment</i>	-	-
<b>In Mutual Fund- Quoted fully paid up</b>		
<i>Aditya Birla Real Estate Fund</i>	57,12,254	7,02,566
	<b>57,12,254</b>	<b>7,02,566</b>
<b>NOTE - 15 : INVENTORIES</b>		
Land	2348,32,525	1665,85,525
Land, Plots and Construction Work in Progress	39,64,885	9,64,885
	<b>2387,97,410</b>	<b>1675,50,410</b>
<b>NOTE - 16 : TRADE RECEIVABLES</b>		
(Unsecured and Considered good)		
Over six months		
Recivable from Crest Projects	587,87,527	854,09,869
Recivable from Metro Projects	2,82,005	2,82,005
Unbilled Revenue	1612,35,908	1447,38,002
	<b>2203,05,440</b>	<b>2304,29,876</b>
<b>NOTE - 17 : CASH &amp; BANK BALANCES</b>		
Cash in hand	2,87,651	15,02,238
Balance with Scheduled Banks in Current Account	90,80,058	35,83,062
Fixed deposit with bank	247,33,845	235,21,224
	<b>341,01,554</b>	<b>286,06,524</b>
<b>NOTE - 18 : SHORT TERM LOANS &amp; ADVANCES</b>		
(a) Other Advances (Unsecured, Considered Good)	802,18,559	356,50,630
(b) Sovek venture	20,00,000	20,00,000
(c) Mat Credit Entitlement		42,34,176
	<b>822,18,559</b>	<b>418,84,806</b>
<b>NOTE - 19 : OTHER CURRENT ASSETS</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
	<b>(Rs)</b>	<b>(Rs)</b>
(a) Advance Tax Paid	337,29,505	108,13,870
(b) Tax Collected at Source	32,992	-
(c) GST CASH LEDGER	51,214	-
(d) TDS Receivable	40,47,854	23,05,575
(e) GST Receivable	220,28,715	240,44,385
(f) GST Refundable	7,10,465	-
	<b>606,00,745</b>	<b>371,63,830.00</b>



<b>NOTE -20 : Revenue From Operations</b>		
<b>Revenue From Constructed Properties</b>		
From Falcon Crest Project	3115,29,549	5231,04,272
	<b>3115,29,549</b>	<b>5231,04,272</b>
<b>NOTE -21 : OTHER INCOME</b>		
<b>Interest Income</b>		
From Fixed Deposit Receipts	34,91,531	17,31,456
<b>Net gain/loss on sale of Investments</b>		
<b>Other non-operating Income</b>		
From Others	-	98,370
	<b>34,91,531</b>	<b>18,29,826</b>
<b>NOTE - 22 : EMPLOYEES' BENEFITS EXPENSES</b>		
Salary and Wages	97,01,191	91,93,637
Bonus and Exgratia	1,34,329	7,18,000
Salary to Director	120,00,000	120,00,000
Employer Contribution to EPF	3,91,965	3,36,213
Employer Contribution to ESI	68,328	90,076
Staff Welfare	4,91,741	8,54,252
	<b>227,87,554</b>	<b>231,92,178</b>
<b>NOTE - 23 : ADMINISTRATIVE &amp; OPERATING EXPENSES</b>		
Construction Expenses	1898,40,611	3913,27,066
Power and fuel	13,85,600	19,31,818
Repairs to Machinery	1,12,969	10,80,948
Insurance	2,14,527	25,026
Keymen insurance		16,82,687
Rates & Taxes (excluding taxes on income)	1,80,000	2,16,000
Audit fees	2,07,250	2,11,722
Professional fees	112,21,011	99,90,233
Business Promotion Expenses	48,31,862	106,41,991
Inspection & Supervision Charges	-	1,05,792
Miscellaneous expenses	18,45,945	3,17,818
Discount to customer	206,61,601	240,20,349
	<b>2305,01,376</b>	<b>4415,51,450</b>
<b>NOTE - 24 : FINANCIAL COST</b>		
<b>Interest Expenses</b>		
Interest on Term Loan	145,30,630	103,99,926
<b>Other Borrowing Costs</b>		
Bank Charges	14,506	63,262
	<b>145,45,136</b>	<b>104,63,188</b>



NOTE 10 : PROPERTY, PLANT AND EQUIPMENT

DESCRIPTION	GROSS BLOK			DEPRECIATION			Net Block	
	BALANCE AS AT 01.04.2020	ADDITIONS	DEDUCTIONS/ADJUSTMENTS	BALANCE AS AT 31.03.2021	DEPRECIATION FOR THE YEAR	DEDUCTION S/ADJUSTMENTS	BALANCE AS AT 31.03.2021	BALANCE AS AT 31.03.2020
<b>TANGIBLE ASSETS</b>								
Computer	27,32,414	77,329		28,09,743	2,08,029	-	27,10,834	2,29,609
Furniture & Fixtures	13,73,445		-	13,73,445	1,64,808	-	9,64,615	5,73,638
Vehicles	79,49,197	104,51,992	-	184,01,189	25,09,885	-	96,38,718	8,20,364
Air Conditioner	8,72,416			8,72,416	1,66,221		7,06,168	3,32,469
Office Equipment	36,00,734	1,85,810		37,86,544	7,02,010	-	29,55,442	13,47,302
<b>Total</b>	<b>165,28,206</b>	<b>107,15,131</b>	<b>-</b>	<b>272,43,337</b>	<b>37,50,953</b>	<b>-</b>	<b>169,75,777</b>	<b>33,03,382</b>
<b>Previous year</b>	<b>149,43,441</b>	<b>15,84,765</b>	<b>-</b>	<b>165,28,206</b>	<b>7,26,215</b>	<b>-</b>	<b>132,24,824</b>	<b>24,44,832</b>



**FALCON REAL ESTATE (P) LIMITED**  
A/22, 1ST FLOOR, FALCON HOUSE, CUTTACK ROAD, BHUBANESWAR - 751006  
CIN -U70101OR1997PTC004990

**Cash Flow Statement for the year ended on 31st March 2021**

(Amount in Rupees )

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit Before Taxes	434,36,061	490,01,068
	Adjustments for :-		
	Add: Depreciation	37,50,953	7,26,215
	Add: Financial Charges	145,45,136	104,63,188
	Less: MAT Credit Reversal	37,76,930	-
	Less: Investing Income	34,91,531	18,29,826
	Operating Profit before Working Capital Changes	<b>544,63,689</b>	<b>583,60,645</b>
	<b>Changes in working capital :</b>		
	(Increase)/Decrease in Loans and Advances	(403,33,753)	(232,17,069)
	(Increase)/Decrease in Other Current Assets	(234,36,915)	(100,00,000)
	(Increase)/Decrease in Sundry Debtors	101,24,435	(2302,54,538)
	(Increase)/Decrease in Inventory	(712,47,000)	1752,59,557
	Increase/(Decrease) in Trade Payables	34,40,906	169,95,568
	Increase/(Decrease) in Other Current Liabilities	(135,12,320)	(173,94,796)
	Increase/(Decrease) in short term Provisions	213,67,842	203,24,077
	Increase/(Decrease) in short term Borrowing	-	-
	Increase/(Decrease) in Other loans and advances	(1,15,282)	(42,43,353)
	<b>Cash Generated From Operations</b>	<b>(592,48,398)</b>	<b>(141,69,909)</b>
	Less :- Income tax paid	(114,67,132)	122,23,839
	<b>Net Cash From Operating Activities (A)</b>	<b>(707,15,530)</b>	<b>(263,93,748)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Realisation/(Purchase) of Investments	(50,09,688)	286,62,317
	Capital Expenditure on Capital Assets	(107,15,131)	(15,84,765)
	Investing Income received	34,91,531	18,29,826
	<b>Net Cash used in Investing Activities (B)</b>	<b>(122,33,288)</b>	<b>289,07,378</b>
	<b>Particulars</b>	<b>Year ended 31st March, 2021</b>	<b>Year ended 31st March, 2020</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Increase/(Decrease) in Long term Borrowing	1029,88,986	107,24,223
	Increase/(Decrease) in Other Long term Borrowing	-	-
	Financial Charges	(145,45,136)	(104,63,188)
	<b>Net Cash used in Financing Activities (C)</b>	<b>884,43,850</b>	<b>2,61,035</b>
	Net (decrease) increase in cash and cash equivalents (A+B+C)	54,95,031	27,74,665
	Cash and Cash equivalents at the beginning of the year	286,06,524	258,31,859
	Cash and cash equivalents at the end of the year	341,01,554	286,06,524

**Notes:**

- The above cash flow has been prepared under the indirect method spelt out in AS-3 issued by the Institute of Chartered Accountants of India.
- The figures in bracket indicates cash outflow.
- Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.

As per our report of even date.

For SRB & ASSOCIATES  
Chartered Accountants  
F.R.N :-310009E

DILLIP KUMAR JENA, FCA  
Partner  
M.No:-066017  
Place : Bhubaneswar  
Date :30th September, 2021

For & On behalf of the Board of Directors

*Parthajet Patnaik*  
(PARTHAJEET PATNAIK)  
DIRECTOR  
DIN.02166686

*Adyasha Patnaik*  
(ADYASHA PATNAIK)  
DIRECTOR  
DIN.05116404





## FALCON REAL ESTATE PVT. LTD.

### NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021

#### (a) Corporate Information

Falcon Real Estate Pvt. Ltd. is a private limited company domiciled in India in the year 1997 and incorporated under the Companies Act. The Company is primarily engaged in the business of construction of residential and commercial complexes at various places.

#### Note.1. Significant accounting policies

##### 1.1) Basis of Accounting

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2015. (as amended up to date) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention in accordance with accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company

##### 1.2) Use of estimates

The preparation of financial statements are in conformity with the generally accepted accounting principles which requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the year in which the results are known/ materialized.



## **Note.2 Notes on Financial Statement**

### **2.1) Fixed Assets and Depreciation Accounting:**

Fixed Assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any attributable costs of bringing such assets to its working condition for intended use.

Revenue expenditure specifically attributable to a particular project is capitalized as part of the project cost at the time of commissioning of the said project.

Depreciation on assets is provided, pro rata for the period of use, by the Written Down Value Method (WDV) at the WDV rates prescribed in Schedule -II to the Companies Act, 2013. Assets costing Rs. 5,000/- or less individually are depreciated fully in the year in which they are put to use.

### **2.2) Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair market value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

### **2.3) Inventories**

#### **Related to contractual and real estate activity**

Direct expenditure relating to construction activity is inventories. Indirect expenditure (including borrowing costs) during construction period is inventories to the extent the expenditure is related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the profit and loss account. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

- i. Work-in-progress - Real estate projects: Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized.
- ii. Finished goods - Plots: Valued at lower of cost and net realizable value.

#### **2.4) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### **2.4 (i) Recognition of revenue from real estate projects**

Revenue from real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment. However revenue from real estate projects is recognized following the "Projected Completion Method" which justifies the accrual system of accounting which is nothing but the fundamental accounting assumption.

##### **2.4 (ii) Recognition of revenue from sale of Duplex and Flat**

Revenue from sale of duplex and flat is recognized upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements.

##### **2.4 (iii) Recognition of revenue from sale of land and development rights**

Revenue from sale of land and development rights is recognized upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. However sale of land and plots (including development rights) is recognized in the financial year in which the agreement to sell/application forms (containing salient terms of agreement to sell) is executed.

##### **2.4) (iv) Income interest**

Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.





## 2.5) Income Tax and Deferred Tax

The Deferred tax on timing differences between book profit and taxable profit for the year is accounted for applying the tax rates and laws that have been enacted and substantively enacted as on the balance sheet date. Deferred tax assets/ liabilities arising from timing difference are recognized to the extent there is a reasonable certainty that the assets /liabilities can be realized in future.

During the financial year, the Company has recognised deferred tax liability in line with Accounting Standard – 22 “Accounting for Taxes on Income” on prudent basis.

Particulars	Amount (in Rs)
Deferred tax Liability as on 01.04.2020	800,933
Deferred tax Asset provided during the period	302,044
Deferred tax Liability as on 31.03.2021	498,889

## 2.6) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## 2.7) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognized as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, where upon it is transferred to work-in-progress.



Deposits paid by the Company to the seller towards right for development of land in exchange of constructed area are recognized as land advance under loans and advances, unless they are non-refundable, wherein they are transferred to work-in-progress on the launch of project.

**2.8). EARNINGS PER SHARE:**

	<b>31.03.2021</b>	<b>31.03.2020</b>
Weighted Average Number of equity shares (in numbers)	3,52,070	3,52,070
Face value of equity shares (in Rs)	100	100
Net profit/( loss) after tax (in Rs)	322,70,973	366,27,609
Earnings per share – Basic & Diluted (in Rs)	91.66	104.04

**2.9) Contingent Liabilities.**

	<u><b>2020-2021</b></u>	<u><b>2019-2020</b></u>
Contingent Liabilities	Nil	Nil

**2.10)** Term loan availed from HDFC Bank which is secured against the hypothecation of respective assets.

**2.11)** No provision for gratuity has been made as the provisions of the Gratuity Act 1972 is not applicable to the company.

**2.12)** The Company does not have any outstanding to any Micro, Small and Medium Enterprises

**2.13) Additional information:-**

**a. Managerial remuneration:**

<b>Particulars</b>	<b>Amount (in Rs)</b>	
	<b>2020-21</b>	<b>2019-20</b>
Salary to Director	120,00,000	120,00,000
<b>Total</b>	<b>120,00,000</b>	<b>120,00,000</b>



**b. Remuneration to Auditors (excluding GST)**

Particulars	Amount (inRs)	
	2020-21	2019-20
As Audit Fees	2,00,000	2,00,000
<b>Total</b>	<b>2,00,000</b>	<b>2,00,000</b>

	<u>2020-21</u>	<u>2019-20</u>
<b>c)</b>		
CIF value of Imports	Nil	Nil
Expenditure in foreign currency in respect of Travel:	Nil	Nil
Earning in Foreign Currency.	Nil	Nil

**For SRB & Associates**  
Chartered Accountants  
FRN:310009E



**(DILLIP KUMAR JENA, FCA)**  
Partner  
M. No. 066017  
UDIN:

**For FALCON REAL ESTATE (P) LIMITED**



**(PARTHAJEET PATNAIK)**  
Director

**(ADYASHA PATNAIK)**  
Director



Date : 30<sup>th</sup> September, 2021  
Place : Bhubaneswar

