

Facor Realty and Infrastructure Limited

14th Annual Report 2020-2021

Regd. Office:

Suite No. 401, Corporate 1, Plot No. 5, Jasola District Centre, New Delhi – 110044

Preksha Jain

Chartered Accountant

B-2, Swasthya Vihar, Delhi – 110092

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FACOR REALTY AND INFRASTRUCTURE LIMITED

1. Report on the Standalone Ind AS Financial Statements

I have audited the accompanying Standalone Ind AS financial statements of **Facor Realty and Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Ind AS 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 and presentation of these Ind AS 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 relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

My responsibility is to express an opinion on these Ind AS financial statements based on my audit.

I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder and the order issued under Section 143(10) of the Act.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Ind AS financial statements.



Preksha Jain
Chartered Accountant

4. Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Standalone 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 Ind AS and other Accounting Principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss (including Other Comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

5. 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 section 143 (11) of the Act, I give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, I report that:

a. I have sought and have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit.

b. In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

d. In my opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued there under.

e. On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 my separate Report in "Annexure B".

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 my opinion and to the best of my knowledge and belief and according to the information and explanations given to me:

i. The company does not have any pending litigation which would impact on its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

Preksha Jain

(Preksha Jain)
Chartered Accountant
Membership No. 416356

Delhi
May 11, 2021

UDIN 21416356AAAAAW8558



Preksha Jain
Chartered Accountant

ANNEXURE A REFERRED TO IN INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF FACOR REALTY AND INFRASTRUCTURE LIMITED ("THE COMPANY") ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

- i) In my opinion and according to information and explanations given to me, the Company has not owned any fixed asset, clause (i) (a), (b) & (c) of the order are not applicable.
- ii) Since the company is not carrying on any operations and does not have any inventory during the year, clause 3 (ii) of the Order is not applicable.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- iv) In my opinion and according to information and explanations given to me, the Company has not given any loan, made any investment, given any guarantee, or provided any securities covered under section 185 and 186 of the Act during the year.
- v) The Company has not accepted any deposits from the public.
- vi) The maintenance of cost records under Section 148(1) of the Act is not applicable as Company is not in operation.
- vii) a) According to the information and explanations given to me, the Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of customs, duty of excise, GST, cess and any other statutory dues with the appropriate authorities.

b) According to the information and explanations given to me and the records of the Company examined by me, there were no outstanding dues in respect of income tax, service tax, duty of customs, duty of excise and GST which have not been deposited on account of any dispute except the following:

viii) According to the information and explanations given to me and the records of the Company examined by me, the Company has not taken any loans or has any borrowing from any financial institution, bank or Government, therefore question of default in repayment of loan/ borrowings to financial institution, bank or Government does not arise.
- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) or term loan.
- x) Based upon the audit procedure performed and information and explanations given by the management, I report that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) The Company has not paid or provided managerial remuneration during the year.
- xii) To the best of my knowledge and according to the information and explanations given to me, company is not a Nidhi Company.



Preksha Jain
Chartered Accountant

- xiii) To the best of my knowledge and according to the information and explanations given to me, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standards.
- xiv) The Company has not made any preferential allotment or private placement of share or fully or partly convertible debenture during the year.
- xv) The Company has not entered into any non-cash transaction with directors or persons connected with them.
- (xvi) In my opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

Preksha Jain

(Preksha Jain)
Chartered Accountant
Membership No. 416356



Delhi
May 11, 2021

UDIN 21416356AAAAAW8558

Preksha Jain

Chartered Accountant

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ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF FACOR REALTY AND INFRASTRUCTURE LIMITED AS ON 31st MARCH, 2021.

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

**TO THE MEMBERS OF
FACOR REALTY AND INFRASTRUCTURE LIMITED**

I have audited the internal financial controls over financial reporting of **FACOR REALTY AND INFRASTRUCTURE LIMITED** ("the Company") as of March, 31, 2021 in conjunction with my audit of the Standalone Ind AS 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 control over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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.

Auditor's Responsibility

My responsibility is to express an opinion on the company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on audit of Internal financial controls over financial reporting (the "Guidance Note") and the standards on auditing as specified 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 I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respect. My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. My 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, 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the internal financial controls system over financial reporting.



Preksha Jain

Chartered Accountant

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, 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 the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 my 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 March 31, 2021, 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.



(Preksha Jain)
Chartered Accountant
Membership No. 416356



Delhi
May 11, 2021

UDIN 21416356AAAAW8558

Facor Reality and Infrastructure Limited
Balance Sheet as at 31 March 2021

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-Current Assets			
(i) Other non-current financial assets		-	-
Total Non-Current Assets		-	-
Current Assets			
Financial Assets			
(i) Cash and cash equivalents	3	376,453	416,358
Total Current Assets		376,453	416,358
Total Assets		376,453	416,358
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	1,000,000	1,000,000
Other equity	5	(631,697)	(614,067)
Total Equity		368,303	385,933
Liabilities			
Current Liabilities			
Other current liabilities	6	8,150	30,425
Total Current Liabilities		8,150	30,425
Total Liabilities		8,150	30,425
Total Equity and Liabilities		376,453	416,358

Notes

1 to 14

The notes referred to above form an integral part of the Balance Sheet

As per my report of even date




Preksha Jain
Chartered Accountant
(Membership No. 416356)



Place: Delhi
Date: 11-05-2021

For and on behalf of the Board of Directors


Anand Prakash Dubey
Director
DIN 09059450


P. G. Sureshkumar
Director
DIN 09065200

Facor Reality and Infrastructure Limited

Statement of Profit and Loss for the year ended 31 March 2021


	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue			
Revenue from Operations		-	-
Total Income		-	-
Expenses			
Other Expenses	7	17,630	24,400
Total Expenses		17,630	24,400
Profit/ (Loss) before Tax		(17,630)	(24,400)
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Profit/ (Loss) for the period (A)		(17,630)	(24,400)
Other Comprehensive Income		-	-
Total Other Comprehensive Income for the period (B)		-	-
Total Comprehensive Income for the period (A + B)		(17,630)	(24,400)
Earnings per Equity Share	8		
Basic		(0.18)	(0.24)
Diluted		(0.18)	(0.24)

Notes

1 to 14


The accompanying notes are an integral part of these financial statements


As per my report of even date


Preksha Jain
 Chartered Accountant
 (Membership No. 416356)
 Place: Delhi
 Date: 11-05-2021



For and on behalf of the Board of Directors


Anand Prakash Dubey
 Director
 DIN 09059450


P. G. Sureshkumar
 Director
 DIN 09065200


Facor Reality and Infrastructure Limited

Cash Flow Statement for the Year Ended March 31, 2021

Amount in Rupees

S. No.	Particulars	2020-21	2019-20
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax	(17,630)	(24,400)
	Adjustments:	-	-
	Operating Profit before Working Capital Changes	(17,630)	(24,400)
	Movement in Working Capital:		
	Increase / Decrease in Other Current Liabilities	(22,275)	5,900
	Increase / Decrease in Other Non-Current Financial Assets	-	-
	Cash Generated from Operations	(39,905)	(18,500)
	Less: Income Tax Paid	-	-
	Net Cash Generated from Operating Activities (A)	(39,905)	(18,500)
(B)	Cash Flow from Investing Activities (B)	-	-
(C)	Cash Flow from Financing Activities		
	Net Receipt (repayment) of other current financial liabilities	-	-
	Cash Flow from Financing Activities (C)	-	-
	Net Increase/(Decrease) in Cash and Cash Equivalents (A)+ (B) + (C)	(39,905)	(18,500)
	Cash and Cash Equivalents at the beginning of the year	416,358	434,858
	Balance at the end of the year	376,453	416,358

As per my report of even date



Preksha Jain
Chartered Accountant
(Membership No. 416356)



Place: Delhi
Date: 11-05-2021

For and on behalf of the Board of Directors



Anand Prakash Dubey
Director
DIN 09059450



P. G. Sureshkumar
Director
DIN 09065200

Facor Reality and Infrastructure Limited

Notes to Accounts for the year ended 31st March 2021

1. Reporting Entity

The Company was incorporated in India on 5th September, 2009 and is a subsidiary of Ferro alloys Corporation Ltd.

The Company is a Limited company incorporated and domiciled in India and has its registered office in Jasola, New Delhi, India.

2. Significant Accounting Policies

a) Statement of Compliance

The Company has consistently applied the followed accounting policies to all periods presented in the financial statements. The Company has prepared financial statements for the year ended March 31, 2020 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended)..

b) Basis of Preparation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

c) Functional and Presentation Currency

These financial statements are presented in Indian Rupee ('INR'), which is the Company's functional currency.

d) Use of Judgment and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

i. Judgments

Information about the judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements have been given below:

- Fair value measurement of Financial Instruments

ii. Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment in the financial statements for the year ended 31 March 2021 is included below:

- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources



Facor Reality and Infrastructure Limited

Notes to Accounts for the year ended 31st March 2021

e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

- *Debt instruments at amortized cost*
- *Debt instrument at fair value through Other Comprehensive Income (FVTOCI)*
- *Debt instrument at fair value through profit and loss (FVTPL)*
- *Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)*

Debt instruments at amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Debt instrument at fair value through Other Comprehensive Income (FVTOCI)

Debt instruments with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVTOCI.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.



Facor Reality and Infrastructure Limited

Notes to Accounts for the year ended 31st March 2021

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

De-recognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights - to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognised in profit or loss.

Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, *Financial Instruments*, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.



Facor Reality and Infrastructure Limited

Notes to Accounts for the year ended 31st March 2021

Financial liabilities

Initial Recognition And Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- ***Financial Liabilities measured at amortised cost***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- ***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

De-Recognition Of Financial Liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

Modifications of Financial Assets and Financial Liabilities

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.



Facor Reality and Infrastructure Limited

Notes to Accounts for the year ended 31st March 2021

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

f) Impairment of Non-Financial Assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGU).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

g) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



Facor Reality and Infrastructure Limited

Statement of Changes in Equity for the Year Ended 31 March 2021

Amount in Rupees

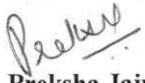
(a) Equity Share Capital

	No. of Shares	Amount
Balance at the 01.04.2020	100,000	1,000,000
Changes in equity share capital	-	-
Balance at the 31.03.2021	100,000	1,000,000

(b) Other Equity

	Reserves & Surplus	
	Retained Earnings	Total
Balance at 31 March 2020	(614,067)	(614,067)
Changes in accounting policy / prior period errors	-	-
Restated balance at the beginning of the reporting period	(614,067)	(614,067)
Profit for the year	(17,630)	(17,630)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(17,630)	(17,630)
Transfer to debenture redemption reserve	-	-
Dividend paid	-	-
Dividend distribution tax	-	-
Balance at 31 March 2021	(631,697)	(631,697)


As per my report of even date.



Preksha Jain
Chartered Accountant
(Membership No. 416356)



Place: Delhi
Date: 11-05-2021

For and on behalf of the Board of Directors


Anand Prakash Dubey
Director
DIN 09059450


P. G. Sureshkumar
Director
DIN 09065200

Facor Reality and Infrastructure Limited

Notes to Financial Statements for the Year Ended 31 March 2021

	As at 31 March 2021	As at 31 March 2020
3 Cash and Cash Equivalents		
Balance with Banks:		
- In Current Account	376,453	416,358
	<u>376,453</u>	<u>416,358</u>
4 Share Capital		
Authorised:		
10,00,000 (31 March 2020 - 10,00,000) Equity Shares of Rs.10/- each	10,000,000	10,000,000
Issued, subscribed & fully paid up:		
100,000 (31 March 2020 - 100,000) Equity Shares of Rs.10/- each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

a. Terms and Rights attached to Equity Shares

The Company has only one class of Equity shares referred to as equity shares each having a par value of Rs. 10/- per share. The Equity Shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

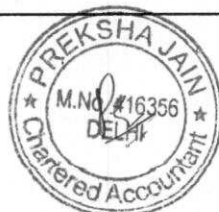
	Number of Shares	Number of Shares
Outstanding at the beginning of year	100,000	100,000
Equity Shares issued during the year	-	-
Outstanding at the 31 March 2021	<u>100,000</u>	<u>100,000</u>

c. Shareholders holding more than 5% Shares in the Company

	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Percentage	No. of Shares	Percentage
Ferro Alloys Corporation Limited	100,000	100%	100,000	100%

5 Other Equity

	As at 31 March 2021	As at 31 March 2020
Retained Earnings		
Balance at the beginning of the year	(614,067)	(589,667)
Ind AS Adjustments		
Add: Profit for the year after Taxation as per Statement of Profit and Loss	(17,630)	(24,400)
	<u>(631,697)</u>	<u>(614,067)</u>
Total Equity (a)	<u>(631,697)</u>	<u>(614,067)</u>



Contd.....

Facor Reality and Infrastructure Limited

Notes to Financial Statements for the Year Ended 31 March 2021

	Amount in Rupees	
	For the year ended 31 March 2021	For the year ended 31 March 2020
6 Other Current Liabilities		
Other Payable	8,150	30,425
	<u>8,150</u>	<u>30,425</u>
7 Other Expenses		
Auditors' Remuneration	5,900	5,900
Filing Fees	1,200	9,000
Legal & Professional Expenses	9,530	9,500
Miscellaneous Expenses	1,000	0
Total	<u>17,630</u>	<u>24,400</u>
8 Earning Per Share		
Profit/ (Loss) for the period	(17,630)	(24,400)
Weighted average number of Equity Shares of Rs. 10/- each	100,000	100,000
EPS - Basic and Diluted	(0.18)	(0.24)



Facor Reality and Infrastructure Limited

Notes to Financial Statements for the Year Ended 31 March 2021

9 Contingent Liabilities, Contingent Assets and Commitments

A. Contingent Liabilities

The Company is not having any contingent liabilities, assets and commitments, therefore disclosure is not required according to Ind AS.

B. Capital and Other Commitments

Estimated amount of contracts on Capital Account and other commitments remaining to be executed and not provided for in accounts Rs. Nil (Previous Year Rs. Nil)

10 Segment Information:

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The company has not generated revenue in FY 2020-21 as well as previous years, therefore operating segment wise revenue disclosure is not applicable.

11 Related Party Disclosure:-

I List of Related Parties:-

A. Name and nature of relationship with the related party where control exists:

Ferro Alloys Corporation Ltd. - Holding Company

B. Enterprise, over which key management personnel and their relatives exercise significant influence, with whom transactions have taken place during the year:

NONE

C. Key Management Personnel

1	Mr. Navin Kumar Jaju	Director
2	Mr. Anand Prakash Dubey	Director
3	Mr. P. G. Sureshkumar	Director

II Transactions with Related Parties during the year ended 31-03-2021 in the ordinary course of business.

There is no related party transaction during the year as well as previous year

12 Employee Benefits

The company is not in operation during FY 2020-21 and has no employee during the year and therefore disclosure as per Ind AS 19 "Employee Benefits" are not provided.

Contd.....



Facor Reality and Infrastructure Limited

Notes to Financial Statements for the Year Ended 31 March 2021

13 Financial Instruments – Fair Values and Risk Management

I. Fair Value Measurements

Particulars	Amount in `	
	As at	As at
	31 March 2021	31 March 2020
A. Financial Instruments by category*		
	Amortised Cost	Amortised Cost
Financial Assets		
Other Non-Current Financial Assets	-	-
Cash and Cash Equivalents	376,453	416,358
	376,453	416,358
*Exclude financial instruments measured at cost		
Financial Liabilities		
Other Current Financial Liabilities	-	-
	-	-

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	Amount in `Rupees			
	As at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Other Non-Current Financial Assets	-	-	-	-
Cash and Cash Equivalents	-	-	376,453	376,453
Total Financial Assets	-	-	376,453	376,453
Financial Liabilities				
Other Current Financial Liabilities	-	-	-	-
Total Financial Liabilities	-	-	-	-

Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	Amount in `Rupees			
	As at 1st April 2020			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Other Non-Current Financial Assets	-	-	-	-
Cash and Cash Equivalents	-	-	416,358	416,358
Total Financial Assets	-	-	416,358	416,358
Financial Liabilities				
Other Current Financial Liabilities	-	-	-	-
Total Financial Liabilities	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.



Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

Particulars	Amount in `Rupees			
	As at 31 March 2021		As at 31 March 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Other Non-Current Financial Assets	-	-	-	-
Cash and Cash Equivalents	376,453	376,453	416,358	416,358
	376,453	376,453	416,358	416,358
Financial Liabilities				
Other Current Financial Liabilities	-	-	-	-

II. Financial Risk Management

Risk Management Framework

The company is exposed primarily to credit, liquid and market risk which may adversely affect the fair value of its financial instruments. The company assesses the unpredictability of financial environment and seeks to mitigate potential adverse effects on the financial performance of the company.

i. Credit Risk

Credit risk is the risk of financial loss to company if a customer or counterparty to the financial instrument fails to meet its financial obligations resulting into financial loss to the company. To manage this the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of account receivables.

The company is not exposed to any credit risk as the company is not yet in operation.

ii. Liquidity Risk

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturities of Financial Liabilities

The company does not have any financial Liabilities during the current year as well as previous year.

iii. Market Risk

Market risk is the risk that changes in market prices, foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Price Risk

The company is not exposed to any price risk

b) Currency Risk

The company is not exposed to any currency risk

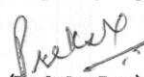
Since the company do not have any variable rate financial assets or borrowing, there is no sensitivity.

14 Capital Management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the returns to stakeholders through the optimisation of the debt and equity balance.


The board of the directors of the company review the capital structure of the company on an ongoing basis. As part of this review, the Board considers the cost of capital and risk associated with each class of capital.


As per my Report of Even date


(Preksha Jain)
Chartered Accountant
Membership No. 416356
Place: Delhi
Date: 11-05-2021



For and on behalf of the Board of Directors


Anand Prakash Dubey
Director
DIN 09059450


P. G. Sureshkumar
Director
DIN 09065200