

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Horizontal Ventures Private Limited

Report on the Audit of Financial Statements

### Opinion

1. We have audited the accompanying financial statements of **Horizontal Ventures Private Limited** ("the company"), which comprise of the Balance Sheet as at 31<sup>st</sup> March, 2023, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended on that date, and notes to financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the financial statements').
2. 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 Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

3. We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty related to going concern

4. The company is a subsidiary of D B Realty Limited. In the draft Independent Auditor's Report of the statutory auditors on the consolidated financial statements of D B Realty Limited, it is mentioned that various debt obligations within next 12 months are higher than the liquid current assets, which could result in significant uncertainty on the Group ability to meet these debt obligations and continue as going concern. However, based on the management's assertions, the consolidated financial statements are prepared on a going concern basis. In view of the same, the financial statements of the company are prepared on a going concern basis.

Our opinion is not qualified in respect of matters stated here-in-above. In respect of the above matter, attention was also drawn by us in our earlier audit report of previous financial year. However, any change in conclusion in the Independent Auditor's Report on the consolidated financial statements of D B Realty Limited for the year ended 31st March, 2023, will have a corresponding change in our conclusion.

### Emphasis of Matters

5. Attention is invited to note no. 30.1 in the accompanying audited financial statements as regards non-provision of disputed service tax demand of Rs. 1,843.77 lakhs. The company has paid under protest Rs. 338.38 lakhs.



Our opinion is not qualified in respect of matter stated here-in-above.

### Key Audit Matters

6. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. 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. In addition to the matters described in the Material Uncertainty Related to Going Concern and Emphasis of Matters section, the key audit matter to be communicated in our report is as under.

#### Key audit matter

Recognition of revenue and verification of budgeted project cost. The company has granted development rights of the land situated at Survey No. 92 of Village Mahajanwadi, Mira Road, District Thane to Man Vastucon LLP.

#### How our audit addressed the key audit matter

##### Our procedures included, but were not limited to the following:

- a. Obtained and understanding of company's process and evaluated design and tested operative effectiveness of controls around the assessments and judgments made under Ind AS-115 to determine the criteria for recognition of revenue and the measurement thereof.
- b. Assessed the appropriateness of budgeted cost.
- c. Assessed the professional competence, objectivity and capability of the personnel engaged in estimating the budgeted cost.
- d. Assessed the reasonableness of estimation of the likely sale consideration to the developer and the resulting revenue to be recognized therefrom.

##### Based on our procedures, it has been concluded as under:

The amount of revenue, accrued revenue, cost incurred to fulfil contracts and the disclosures made are in compliance with the Ind AS 115. Refer note no. 2.13, 8, 15, 15.1 and 25 of the audited financial statements.

### Information Other than the financial statements and Auditor's Report Thereon

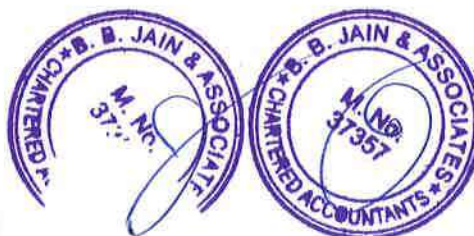
7. The company's Board of Directors is responsible for the preparation of other information. The other information obtained at the date of this auditor's report is Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

If, based on the work we have performed on the other information obtained prior to the date of this report, 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.



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

8. The company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

10. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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 purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) The matter described in the material uncertainty related to going concern paragraph above and in the emphasis of matters paragraphs above, in our opinion has an adverse effect on the functioning of the company.
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March 2023, from being appointed as a director in terms of Section 164(2) of the Act;
  - (g) With respect to adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report given in **Annexure "B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting;



- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the year;

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The company has disclosed the impact of pending litigations on its financial position in its audited financial statements. Reference is drawn to note no. 30.1 of the audited financial statements.
- (ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There are no amounts which were required to be transferred to the Investor Education and Protection Fund.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
- (c) Based on the audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations given by the management contain any material misstatement.
- (v) The company has not declared or paid dividend during the year. Hence, the requirement of commenting on compliance with section 123 of the Act does not arise.
- (vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the year.

**For B. B. Jain & Associates**  
**Chartered Accountants**  
**Firm's Registration No. 103889W**

**Proprietor**  
**Membership No. 037357**  
**UDIN: 23037357BGWEZF8649**  
**Mumbai, Date: 29-May-23**



## Horizontal Realty & Aviation Private Limited

### Annexure – A to the Independent Auditors' Report for the year ended 31<sup>st</sup> March, 2023

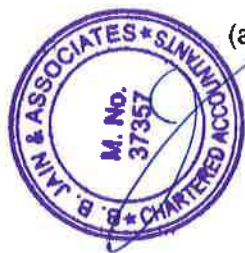
[Referred to in paragraph 10 under the heading "Report on other legal and regulatory requirements" of our report of even date]

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The company has maintained proper records showing full particulars of intangible assets.
- (b) The PPE are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the PPE has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) The company does not own any immovable property. Therefore, clause (i)(c) of paragraph 3 of the Order is not applicable to the company.
- (d) The company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year. Therefore, clause (i)(d) of paragraph 3 of the Order is not applicable to the company.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder, and therefore the question of our commenting on whether the company has appropriately disclosed the details in its financial statements does not arise.
- (ii) (a) The company does not hold any inventory. Therefore, clause (ii)(a) of paragraph 3 of the Order is not applicable.
- (b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Therefore, clause (ii)(b) of paragraph 3 of the Order is not applicable to the company.
- (iii) According to the information and explanations given to us, except for granting unsecured loans during the year, the company has not made investments in, provided any guarantee or security, to companies, firms, limited liability partnerships or any other parties. Accordingly, our comments on clause (iii) of paragraph 3 of the Order are as under:

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has provided loans to companies, and other parties as follows:

(Rs. In lakhs)

Particulars	Aggregate amount granted during the year	Balance outstanding as on 31.03.2023 in respect of these loans
Related parties	500.00	4,773.16
Other company	-	151.38



In our opinion and according to the information and explanations given to us, the terms and conditions of loans granted during the year are not prejudicial to the company's interest. In respect of loans granted in the preceding year(s), there are no terms and conditions, however, the same is funded by its holding company and hence, the question of our commenting whether the grant of said loan is prejudicial to the company's interest does not arise.

- (b) In respect of loans granted during the year, the schedule of repayment of principal and payment of interest has been stipulated and no sums are due for repayment during the year. In respect of loans granted in the preceding year(s), the schedule of repayment of principal has not been stipulated, as the same are interest free, repayable on demand and as per the information and explanation provided to us, the amounts have been received whenever demanded by the company. Thus, we are unable to make a specific comment on the regularity of repayment of loan granted in preceding year(s).
  - (c) In respect of loans granted in preceding year(s), since the repayment schedule is not stipulated, we are unable to comment on the amounts overdue for more than ninety days and reasonable steps for recovery as required under paragraph 3(iii)(d) of the Order. As regards loans granted during the year, no amount was due as upto the year-end.
  - (d) In respect of loans granted during the year, no amount was due as upto the year-end and hence, the question of renewal or extension or granting of fresh loans to settle the overdue of existing loan given to a same party does not arise. In respect of loans granted in preceding year(s), since the repayment schedule is not stipulated, we are unable to comment on renewal or extension or granting of fresh loans to settle the overdue of existing loan given to a same party.
  - (e) The company has granted loan of Rs. 4,273.16 lakhs to related parties as defined in section 2(76) of the Act, which is repayable on demand and the same represents 96.58% of the loan amount.
- (iv) According to the information and explanations given to us, the company has complied with the provisions of section 185 to 186(1) of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable. Further, the provisions of section 186 [except for sub-section (1)] of the Act are not applicable to the company as it is engaged in the business of providing infrastructural facilities.
  - (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits. Therefore, question of reporting compliance with directive issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We are informed that no order relating to the company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
  - (vi) The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act for the activities carried out by the company. Therefore, clause (vi) of paragraph 3 of the Order is not applicable to the company.



(vii) In respect of statutory dues:

- (a) According to the information and explanations given to us and basis of our examination of records of the company, in respect of the amounts deducted/ accrued in the books of account, the company has been generally regular in depositing the undisputed statutory dues including goods and service tax, income-tax and other applicable statutory dues with the appropriate authorities. However, following dues were in arrears as on 31<sup>st</sup> March, 2003 for a period of more than six months from the date they became payable.

Sr. No.	Nature of Dues	Amount (Rs. in lakhs)
1	Service Tax	30.96

As explained to us, the company did not have any dues on account of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess.

- (b) According to the information and explanations given to us, following disputed dues are not deposited with appropriate authority.

Sr. No.	Period	Nature of Disputed Dues	Dispute pending Before	Amount (Rs. in lakhs)
1	April 2010 to March 2014	Service Tax	Central Excise & Service Tax Appellant Tribunal, Mumbai	280.43
2	April 2010 to March 2014	Service Tax Penalties/fees under the Finance Act 1994	Central Excise & Service Tax Appellant Tribunal, Mumbai	1,563.34
3	April 2010 to March 2014	Interest on Service Tax Liability	Central Excise & Service Tax Appellant Tribunal, Mumbai	Not quantified

The company does not have any disputed dues of goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, duty of customs, duty of excise, value added tax, and cess.

- (viii) According to the information and explanations given to us and on the basis of our examination of records of the company, there are no transactions in the books of account that has been surrendered or disclosed as income during the period in the income tax assessments under the Income Tax Act, 1961 and that has not been recorded in the books of account.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, we are of the opinion that the company has not defaulted in repayment of dues of debentures. Further, according to the information and explanations given to us, interest free borrowings which are repayable on demand (outstanding balance whereof is Rs. 15,123.66 lakhs as on 31<sup>st</sup> March, 2023) have not been demanded for repayment. Thus, we are of the opinion that the company has not defaulted in repayment of borrowings.



- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any other lender.



- (c) The company has not obtained any term loans during the period. Therefore, clause (ix)(c) of paragraph 3 of the Order is not applicable to the company.
- (d) We report that no funds raised on short term basis have been utilised for long term purposes by the company.
- (e) The company does not have any subsidiaries or joint ventures or associates. Therefore, clause (ix)(e) of paragraph 3 of the Order is not applicable to the company.
- (f) The company does not have any subsidiaries or joint ventures or associates. Therefore, clause (ix)(f) of paragraph 3 of the Order is not applicable to the company.
- (x) (a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, clause (x)(a) paragraph 3 of the Order is not applicable to the company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, clause (x)(b) of paragraph 3 of the Order is not applicable to the company.
- (xi) (a) During the course of our examination of the books of account and records of the company, carried out in accordance with generally accepted auditing practices in India and according to information and explanation given to us, no fraud by the company and no fraud on the company has been noticed or reported during the period.
- (b) In view of our comments in clause (a) above, no report in under sub-section (12) of section 143 of the Act was required to be filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period and upto the date of this report.
- (c) As represented by the management, no whistle blower complaints were received during the year. Therefore, clause (xi)(c) paragraph 3 of the Order is not applicable to the company.
- (xii) In our opinion, the company is not a Nidhi company. Therefore, requirements of clause (xii) paragraph 3 of the Order is not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, the related party transactions covered under section 188 of the Act, wherever applicable, have been disclosed in the financial statement in accordance with the requirements of Indian Accounting Standard 34. Provisions of section 177 of the Act as regards Audit Committee are not applicable to the company.
- (xiv) Provisions of section 138 of the Act with regards to formal internal audit system are not applicable to the company. Therefore, clause (xiv) paragraph 3 of the Order is not applicable to the company.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the company has not entered into any non-cash transactions with directors or persons connected with the directors. Therefore, clause (xv) of paragraph 3 of the Order is not applicable to the company.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi)(a), (b) and (c) of the Order is not applicable to the company.
- (b) As represented by the management, the Group does not have any Core Investment Company. Therefore, clause (xvi)(d) paragraph 3 of the Order is not applicable to the company.



- (xvii) The company has not incurred cash losses during the financial year covered by our audit but had incurred cash losses in the immediately preceding financial year of Rs. 1,834.82 lakhs.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) Other than as referred to in 'Material uncertainty related to Going Concern' paragraph in our main audit report and according to the information and explanations given to us and on basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to future viability of the company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Provisions of section 135 of the Act with regards to corporate social responsibility are not applicable to the company. Therefore, clause (xx)(a) and clause (xx)(b) of paragraph 3 of the Order are not applicable to the company.

**For B. B. Jain & Associates**  
**Chartered Accountants**  
**Firm's Registration No. 103889W**



**Proprietor**  
**Membership No. 037357**  
**UDIN: 23037357BGWEZF8649**  
**Mumbai, Date: 29-May-23**



## **Horizontal Realty & Aviation Private Limited**

### **Annexure – B to the Independent Auditors' Report for the year ended 31<sup>st</sup> March, 2023**

[Referred to in paragraph 11(g) under the heading "Report on other legal and regulatory requirements" of our report of even date]

### **Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 ("the Act")**

#### **Opinion**

We have audited the internal financial controls over financial reporting of **Horizontal Realty & Aviation Private Limited** ("the company"), as of 31st March, 2023, in conjunction with our audit of the financial statements of the company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023, 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.

#### **Management's Responsibility for Internal Financial Controls**

The company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note"), 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

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

**For B. B. Jain & Associates  
Chartered Accountants  
Firm's Registration No. 103889W**




A handwritten signature in blue ink, appearing to be "B. B. Jain", written over a horizontal line.

**Proprietor  
Membership No. 037357  
UDIN: UDIN: 23037357BGWEZF8649  
Mumbai, Date: 29-May-23**

**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Balance sheet as at 31st March, 2023**  
**CIN:U45100MH2007PTC173394**  
**All amounts are in INR (lakhs) otherwise stated**

Particulars	Note no.	As at 31st March, 2023	As at 31st March, 2022
<b>I. ASSETS</b>			
<b>1 Non current assets</b>			
(a) Property, plant and equipment	3	1.93	1.93
(b) Other intangible assets	4	0.05	0.05
(c) Financial assets			
(i) Investments	5	-	-
(ii) Loans	6	532.58	-
(d) Deferred tax assets (net)	7	2,309.24	2,665.32
(e) Other non-current assets	8	3,603.84	2,749.44
		<b>6,447.64</b>	<b>5,416.74</b>
<b>2 Current assets</b>			
(a) Financial assets			
(i) Investments	9	1,245.24	1,711.26
(ii) Trade receivables	10	-	-
(iii) Cash and cash equivalents	11	36.70	4.93
(iv) Loans	12	135.54	363.42
(v) Other financial assets	13	1.48	-
(b) Current Tax Assets (net)	14	96.01	57.96
(c) Other current assets	15	6,222.67	6,427.25
		<b>7,739.64</b>	<b>8,564.82</b>
<b>Total</b>		<b>14,187.28</b>	<b>13,981.56</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	16	1,400.56	1,400.56
(b) Other equity	17	(26,918.56)	(26,963.61)
		<b>(25,518.00)</b>	<b>(25,563.05)</b>
<b>2 Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	7,549.03	7,549.03
(ii) Other financial liabilities	19	11,823.99	8,595.15
(b) Other non-current liabilities	20	675.81	4,584.40
		<b>20,048.83</b>	<b>20,728.58</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	15,123.66	14,777.84
(ii) Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises			6.40
- total outstanding dues of creditors other than micro enterprises and small enterprises		146.32	139.06
(b) Other current liabilities	23	3,069.43	2,575.68
(c) Provisions	24	1,317.05	1,317.05
		<b>19,656.46</b>	<b>18,816.03</b>
<b>Total</b>		<b>14,187.28</b>	<b>13,981.56</b>
<b>Summary of significant accounting policies</b> Refer accompanying notes. These notes are an integral part of the financial statements.	1-41		

As per our attached report of even date

For **B. B. Jain & Associates**  
Chartered Accountants  
Firm registration no. 103889W  
  
Proprietor  
Membership no. : 037357



For and on the behalf of Board of Directors

  
Hifzurrehman Kadiwal  
Director  
DIN: 02254751

  
Falzan Pasha  
Director  
DIN: 06457095

  
Nitesh Agarwal  
Chief Financial Officer

Place : Mumbai  
Date : 29-05-2023

Place : Mumbai  
Date : 29-05-2023

Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)

Statement of profit and loss for the year ended 31 March, 2023

CIN:U45100MH2007PTC173394

All amounts are in INR (lakhs) otherwise stated, except earnings per equity share

Particulars		Note no.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
I	Revenue from operations	25	4,797.41	255.73
II	Other income	26	36.20	0.95
III	<b>Total income (I)+(II)</b>		<b>4,833.61</b>	<b>256.68</b>
IV	<b>Expenses</b>			
	Cost incurred to fulfill the contracts	27	705.74	-
	Finance costs	28	3,229.17	2,686.05
	Depreciation and amortisation expense	3 & 4	-	-
	Other expenses	29	497.57	20.87
	<b>Total expenses (IV)</b>		<b>4,432.48</b>	<b>2,706.92</b>
V	<b>Profit/ (loss) before tax (III)-(IV)</b>		<b>401.13</b>	<b>(2,450.24)</b>
VI	<b>Tax expense</b>	7		
	Current tax		-	-
	Deferred tax		356.09	(615.42)
			356.09	(615.42)
VII	<b>Profit/ (loss) for the year (V)-(VI)</b>		<b>45.05</b>	<b>(1,834.82)</b>
VIII	<b>Other comprehensive Income</b>			
A	(i) Items that will not be reclassified to profit or loss		-	-
	- Remeasurement gains of defined benefit plans		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
			-	-
IX	<b>Total comprehensive income for the year (VII) + (VIII)</b>		<b>45.05</b>	<b>(1,834.82)</b>
X	<b>Earnings per equity share (face value of Rs. 10 each) basic and diluted (Rs.)</b>	33	0.32	(13.10)
<b>Summary of significant accounting policies</b>				
Refer accompanying notes. These notes are an integral part of the financial statements.		1-41		

As per our attached report of even date

For B. B. Jain & Associates

Chartered Accountants

Firm registration no. 103889W

Proprietor

Membership no. : 037357



For and on the behalf of Board of Directors

Hifzurrehman Kadiwal

Director

DIN: 02254751

Faizan Pasha

Director

DIN: 06457095

Nitesh Agarwal

Chief Financial Officer

Place : Mumbai

Date : 29-05-2023

Place : Mumbai

Date : 29-05-2023

Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)  
Statement of cash flows for the year ended 31st March, 2023  
CIN:U45100MH2007PTC173394  
All amounts are in INR (lakhs) otherwise stated

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>(A) Cash flow from operating activities</b>		
Net profit/ (loss) before tax	401.13	(2,450.24)
<b>Adjustments for:</b>		
Interest income on income tax refund	-	(0.95)
Interest expenses on financial liabilities at amortised cost	3,228.84	2,681.10
Allowance for credit impaired	0.17	3.33
Other finance cost	0.33	4.95
<b>Operating Income before working capital changes</b>	<b>3,630.47</b>	<b>238.19</b>
<b>Working capital changes:</b>		
(Increase)/Decrease in assets	(1,182.40)	1,150.52
Increase/(Decrease) in liabilities	(185.14)	1,237.84
Increase/(Decrease) in provisions	-	14.05
<b>Net cash flow generated from operating activities</b>	<b>2,262.93</b>	<b>2,640.60</b>
Income tax (paid)/ refund received	(39.53)	1.75
<b>Net cash flow generated from operating activities</b>	<b>2,223.40</b>	<b>2,642.35</b>
<b>(B) Cash flow from investing activities</b>		
Interest received	-	0.95
Loans (granted) / received back	227.71	395.45
Investment made	466.02	(1,711.27)
<b>Net cash (used In)/generated from investing activities</b>	<b>693.73</b>	<b>(1,314.87)</b>
<b>(C) Cash flow from financing activities:</b>		
Other borrowings (net)	(2,883.03)	(1,320.23)
Financial charges paid	(0.33)	(4.95)
<b>Net cash (used in) financing activities</b>	<b>(2,883.36)</b>	<b>(1,325.18)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>33.77</b>	<b>2.30</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>4.93</b>	<b>2.63</b>
<b>Cash and cash equivalents at year end</b>	<b>38.70</b>	<b>4.93</b>
<b>Cash and cash equivalents includes</b>		
Bank balances	38.60	4.77
Cash on hand	0.10	0.15
	<b>38.70</b>	<b>4.93</b>

**Notes**

(a) The above Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7, "Statement of Cash Flows" as notified under Companies (Accounts) Rules, 2015.

(b) Refer note no. 35 for reconciliation of liabilities arising from financing activities

The above cash flow should be read in conjunction with the accompanying notes.

**As per our attached report of even date**

For B. B. Jain & Associates  
Chartered Accountants  
Firm registration no. 103889W

Proprietor  
Membership no. : 037357



For and on the behalf of Board of Directors

Hifzurrehman Kadiwal  
Director  
DIN: 02254751

Faizan Pasha  
Director  
DIN: 06457095

Nitesh Agarwal  
Chief Financial Officer

Place : Mumbai  
Date : 29-05-2023

Place : Mumbai  
Date : 29-05-2023

Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)  
Statement of changes in equity for the year ended 31st March, 2023  
CIN:U45100MH2007PTC173394  
All amounts are in INR (Lakhs) otherwise stated, except equity share data

A. Equity share capital

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting year	Changes in equity share capital during the year / (buy-back of shares)	Balance at the end of the reporting year
<b>Year ended 31st March, 2023</b>					
No. of shares	14,005,603	-	14,005,603	-	14,005,603
Amount	1,400.56	-	1,400.56	-	1,400.56
<b>Year ended 31st March, 2022</b>					
No. of shares	14,005,603	-	14,005,603	-	14,005,603
Amount	1,400.56	-	1,400.56	-	1,400.56

B. Other equity

Particulars	Reserves and surplus	Other comprehensive income	Total
	Retained earnings		
<b>Balance as at 1st April, 2021</b>	(25,129.44)	0.65	(25,128.79)
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1st April, 2021	(25,129.44)	0.65	(25,128.79)
Loss for the year	(1,834.82)	-	(1,834.82)
Other comprehensive income for the year	-	-	-
Remeasurement gains on defined benefit plan	-	-	-
<b>Balance as at 1st April, 2022</b>	(26,964.26)	0.65	(26,963.61)
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1st April, 2022	(26,964.26)	0.65	(26,963.61)
Loss for the year	45.06	-	45.06
Other comprehensive income for the year	-	-	-
Remeasurement gains on defined benefit plan	-	-	-
<b>Year ended 31st March, 2023</b>	(26,919.20)	0.65	(26,918.55)

Refer accompanying notes. These notes are an integral part of the financial statements.

As per our attached report of even date

For B. B. Jain & Associates  
Chartered Accountants  
Firm registration no. 103889W  
Proprietor  
Membership no. : 037357



For and on the behalf of Board of Directors

Hifzur Rehman Kadiwal  
Director  
DIN: 02254751

Falzan Pasha  
Director  
DIN: 06457095

Nitesh Agarwal  
Chief Financial Officer

Place : Mumbai  
Date : 29-05-2023

Place : Mumbai  
Date : 29-05-2023



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

**1 Company background**

- 1.1** Horizontal Realty And Aviation Private Limited (the "company") is incorporated and domiciled in India. The company is a subsidiary company of Nine Paradise Erectors Private Limited which is wholly owned subsidiary of D B Realty Limited being listed with National Stock Exchange and Bombay Stock Exchange. The company has its the Registered Office and principal place of business at 7th floor, Resham bhavan, Veer Nariman Road, Churchgate, Mumbai 400020 and corporate office at 4th Floor, Wing 15, Gate No.2, Ten BKC, off. N. Dharmadhikari Marg, Kalanagar, Bandra (East), Mumbai - 400 051.
- 1.2** The company is engaged in the business of real estate development. The Company with other co-owners have granted development rights of the land situated at Survey No. 92 of Village Mahajan wadi, Mira Road, District Thane, to Man Vastucon LLP.
- 1.3** The company is a "public company" under the Companies Act, 2013 (the Act), but continues to use the word "private" as permitted under law.
- 1.4** The company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 29th May, 2023 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

**2 Significant accounting policies, accounting judgements, estimates and assumptions followed in the preparation and presentation of the financial statements accounting policies**

**2.01 Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards as notified under section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 (Ind AS) and other relevant provisions of the Act, as applicable.

**2.02 Basis of preparation and presentation**

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by Ind AS.

The financial statements are in accordance with Division II of Schedule III to the Act, as applicable to the company.

Transactions and balances with values below the rounding off norms adopted by the company have been reflected as "0.00" in the relevant notes in these financial statements.

**2.03 Current and non-current classification of assets and liabilities and operating cycle**

All assets and liabilities are presented in the balance sheet based on current and non-current classification as per company's normal operating cycle and other criteria set out in Schedule III of the Act.

Based on the nature of activity and the time between the acquisition of assets for processing and their realisation, the company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

**2.04 Functional and presentation currency**

The functional and presentation currency of the company is Indian Rupee (INR) and all the values are rounded to nearest INR lakhs, except when otherwise indicated. INR is also the currency of the primary economic environment in which the company operates.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

**2.05 Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the periods presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below:

**Judgements**

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effects on the amounts recognised in the financial statements

- (a) Fair value of equity shares of Milan Theatres Private Limited, being investment in an associate, which are valued through profit or loss has been reassessed whereby there is no reversal required for the loss of Rs. 3,308.306 lakhs provided in the earlier years on their fair valuation (refer note no. 5).
- (b) Fair value of equity shares of Sahyadri Agro & Dairy Private Limited (refer note no. 9)
- (c) Assessment of the recoverability of Trade Receivables (refer note no. 10)
- (d) The company has granted interest free loans to its associate viz., Milan Theatre Private Limited (Milan) and the outstanding balance as of year end is Rs. 4137.62 lakhs (Previous Year Rs. 4137.62 lakhs ). The Management has considered the said loan as good for recovery, but as a matter of prudence, it has provided for expected credit loss in its entirety on account of the uncertainty as regards the expected timeline. (refer note no. 13)
- (e) The holding company which holds investments in equity and preference shares of a related party, has valued the said investments through FVTPL/ FVTOCI, whereby the investments are carried fair value as on the year end. In determining the fair value, the holding company has concluded that the said related party will be able to settle all its liabilities. Hence, the loan of Rs. 135.54 lakhs (Previous year Rs. 363.42 lakhs) granted to the said related party of the holding company is considered as good for recovery.
- (f) Non provision of disputed service tax and income tax demand (refer note no. 30)
- (g) Obligation arising consequent to Memorandum of Understanding with Lion Pencils Limited (refer note no. 24.1)

**Significant estimates**

**- Cost incurred to fulfil the contracts**

Provision made to fulfil obligations arising from the Memorandum of Understanding reached with Lion Pencils Limited. (refer note no.24.1 )

**- Assessment of cessation of unsecured loans taken in earlier year(s) from the parties.**

**- Impairment of financial assets**

Carrying amount of the assets are reviewed at each balance sheet date to determine whether there is any indication that those asset have suffered as impairment loss. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or the value in use. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged from when an asset is identified as impaired. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

- **Fair value measurements**

When the fair values of the financial assets and liabilities recorded in the Balance Sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market wherever possible, but where this is not feasible, a review of judgement is required in establishing fair values. Any changes in assumptions could affect the fair value relating to financial instruments.

- **Impairment of trade receivables**

The Company reviews its trade receivables to assess impairment at regular intervals. The Company's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be reported in the statement of profit and loss, the Company makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

- **Deferred tax assets**

In assessing the realisability of deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

**2.06 Measurement of fair values**

These Ind AS financial statements have been prepared on a historical cost basis, except for financial assets and liabilities measured at fair value (refer accounting policy no. 2.11 regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

**2.07 Property, plant and equipment**

Property, plant and equipment are recorded at their cost of acquisition, net of goods and service tax, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

Borrowing costs relating to acquisition / construction / development of tangible assets, which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

When significant components of property, plant and equipment's are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation, if these components are initially recognised as separate asset. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

**2.08 Depreciation**

Depreciation on property, plant and equipment is provided on straight line method in accordance with the provisions of Schedule II to the Act. The management believes that the estimated useful lives as per the provisions of Schedule II to the Act, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

**2.09 Intangible assets and amortisation thereof**

The cost relating to Intangible assets, with finite useful lives, which are capitalised and amortised on a straight line basis up to the period of three years, is based on their estimated useful life.

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.10 Impairment of tangible and Intangible assets**

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**2.11 Financial Instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

**(i) Financial assets**

**(a) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and balances with banks that are subject to an insignificant risk of change in value. The balances with bank are unrestricted for withdrawal and usage.

**(b) Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(c) Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if such financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell such financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are carried at fair value through profit and loss.

**(d) Derecognition of financial assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a borrowing for the proceeds received.

**(e) Impairment of financial assets**

The company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss of financial assets at amortised cost.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

**(ii) Financial liabilities**

**(a) Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**(b) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

**(c) Financial liabilities**

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

**(d) Derecognition of financial liabilities**

The company de-recognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

**2.12 Income taxes**

Income tax expense comprises current tax expense and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

**(i) Current income taxes**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

**(ii) Deferred taxes**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**2.13 Revenue recognition**

**(a) Sale of properties**

Revenue from sale of development rights of land is recognized when it satisfies performance obligations by transferring promised goods or services to a customer in accordance with Ind AS 115. An entity 'transfers' a good or service to a customer when the customer obtains control of that asset. Control may be transferred either at a point in time or over time.

An entity transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time if one of the following criteria is met

- (i) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- (ii) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Revenue is recognised at a point in time if it does not meet the above criteria.

The Cost in relation to granting development right of the land is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period in respect of contracts recognised and the balance cost to fulfil the contracts is carried over under other current assets. Impairment loss is recognised in the Statement of Profit and Loss to the extent carrying amount exceeds the remaining amount of consideration of the contracts entered into with the customers as reduced by the costs that have not been recognised as expenses.

**(b) Interest income**

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

**2.14 Foreign currency transactions**

The functional currency of the Company is the Indian Rupee.

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and the exchange gains or losses are recognised in the statement of profit and loss.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

**2.15 Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**2.16 Provisions, contingent liabilities and contingent assets**

The Company recognizes provisions when there is present obligation as a result of past events and it is probable that there will be an outflow of resources and reliable estimate (legal or constructive) of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period taking into account the risk and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Onerous contracts**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

**Contingent liabilities are disclosed for**

• possible obligation which will be confirmed only by future events not wholly within the control of the Company.

• present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

**2.17 Earnings per share (EPS)**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**2.18 Cash and cash equivalents**

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

**2.19 Statement of cash flows**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**2.20 Commitments**

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows

- (a) The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and
- (b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.





**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**

**2.21 Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole company as one segment of "Real Estate Development".

**2.22 Ind AS modified but not effective as at balance sheet date**

The following standards are modified by MCA :

<b>Particulars</b>	<b>Effective date</b>
Modification to existing Ind Accounting Standard	
Ind AS 101 - First-time Adoption of Indian Accounting Standards	1st April, 2023
Ind AS 102 - Share- based Payment	1st April, 2023
Ind AS 103 - Business Combinations	1st April, 2023
Ind AS 107 - Financial Instruments: Disclosures	1st April, 2023
Ind AS 109 - Financial Instruments	1st April, 2023
Ind AS 115 - Revenue from Contracts with Customers	1st April, 2023
Ind AS 1 - Presentation of Financial Statements	1st April, 2023
Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors	1st April, 2023
Ind AS 12 - Income Taxes	1st April, 2023
Ind AS 34 - Interim Financial Reporting	1st April, 2023

The company is assessing the potential impact of above amendments on the financial statements. The management presently is of the view that it would not have a material impact on the financial statements.



Horizontal Ventures Private Limited (Formerly Known as "Horizontal Realty & Aviation Private Limited)

Notes forming part of financial statements  
All amounts are in INR (lakhs) otherwise stated

3 Property, plant and equipment	Particulars	Tangible assets					Total
		Furniture and fixtures	Motor vehicles	Office equipment	Computers	Mobile phones	
(I) Gross Carrying Amount	Balance as at April 1, 2021	1.78	3.33	1.54	1.44	0.31	9.00
	Additions	-	-	-	-	-	-
	Deletions	-	-	-	-	-	-
	Balance as at March 31, 2022	1.78	3.33	1.54	1.44	0.31	9.00
(II) Accumulated Depreciation	Balance as at April 1, 2021	-	-	-	-	-	-
	Depreciation charge during the year	1.60	3.40	1.21	0.76	0.10	7.07
	Deletions	-	-	-	-	-	-
	Balance as at March 31, 2022	1.60	3.40	1.21	0.76	0.10	7.07
Carrying value as at 31 March, 2022	Balance as at March 31, 2023	1.78	3.33	1.54	1.44	0.31	9.00
	Carrying value as at 31 March, 2022	1.60	3.40	1.21	0.76	0.10	7.07
	Carrying value as at 31 March, 2023	0.18	0.53	0.33	0.68	0.21	1.93
		0.18	0.53	0.33	0.68	0.21	1.93

4 Other intangible assets	Particulars	Computer software		Total
		Computer software	Computer software	
(I) Gross Carrying Amount	Balance as at April 1, 2021	0.91	0.91	0.91
	Additions	-	-	-
	Deletions	-	-	-
	Balance as at March 31, 2022	0.91	0.91	0.91
(II) Accumulated Depreciation	Balance as at April 1, 2021	-	-	-
	Depreciation charge during the year	0.86	0.86	0.86
	Deletions	-	-	-
	Balance as at March 31, 2022	0.86	0.86	0.86
Carrying value as at 31 March, 2022	Balance as at March 31, 2023	0.91	0.91	0.91
	Carrying value as at 31 March, 2022	0.86	0.86	0.86
	Carrying value as at 31 March, 2023	0.05	0.05	0.05
		0.05	0.05	0.05



Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)  
Notes forming part of financial statements  
All amounts are in INR (lakhs) otherwise stated

5 Non current financial assets - investments

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investments in equity instruments (Trade and unquoted)		
Investments in associates		
Carried at amortised cost (note no(a) )		
3,27,555 (previous year 3,27,555) equity shares of Milan Theatres Private Limited having nominal value per share of Rs. 10 each	-	-
(Cost of investment - Rs. 3,308.30 lakhs) (Fair value Rs. nil)		
Total	-	-

6 Non current financial assets - loans

Particulars	As at 31st March, 2023	As at 31st March, 2022
(Unsecured, considered good)		
Loan to a related party (refer note no. 6.1 and 31)	500.00	-
Accrued interest (refer note no. 6.1)	32.58	
Total	532.58	-

6.1 Inter corporate loan granted for a period of 2 years at 12% p.a. payable at the end of tenure.

7 Income tax

7.1 Reflected in balance sheet as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred tax asset		
Difference between written down value of property plant and equipment	1.05	1.27
Unabsorbed depreciation allowance and business loss	2,308.19	2,664.05
Total	2,309.24	2,665.32

7.2 The Income tax expense consists of the following:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current tax		
Deferred tax expense / (benefit)	356.08	(615.42)
Total	356.08	(615.42)

7.3 The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in Statement of Profit and Loss is as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit / (loss) before tax	401.13	(2,450.24)
Applicable income tax rate	25.17%	25.17%
Expected tax (benefit)/expense	100.97	(616.73)
Tax effect of adjustments to reconcile expected income tax (benefit)/expense to reported income tax (benefit)/expense:		
Expenses not allowed for tax purpose	117.59	1.31
Deferred tax recognised on current years losses / depreciation allowances	137.53	-
	255.11	1.31
Income tax expense recognised in statement of profit and loss	356.08	(615.42)

7.4 Deferred tax Income or expense recognised in the statement of profit and loss/ other comprehensive Income

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	2,665.33	2,049.90
Recognised / (reversed) through statement of profit and loss		
Difference between written down value of property plant and equipment	0.22	(0.27)
Unabsorbed depreciation allowance and business loss	(356.30)	615.70
Closing balance	2,309.24	2,665.33



Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)  
Notes forming part of financial statements  
All amounts are in INR (lakhs) otherwise stated

8 Other non-current assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Accrued revenue (refer note no.2.13(a) and 8.1)	6,603.84	5,249.44
Less: Classified as other current assets	(3,000.00)	(2,500.00)
<b>Total</b>	<b>3,603.84</b>	<b>2,749.44</b>

9 Current financial assets - Investments

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Investment in others</b>		
Carried at fair value through profit and loss (refer note no.9.1(b))		
14,15,050 (previous year 14,15,050) equity shares of Sahyadri Agro & Dairy Private Limited having nominal value per share of Rs. 10 each	1,245.24	1,711.26
<b>Total</b>	<b>1,245.24</b>	<b>1,711.26</b>

9.1 The company holds 30,72,045 equity shares, out of which -

a. 14,15,050 equity shares were acquired from Nestle India Limited.

b. Balance 16,56,995 equity shares are held by the company in fiduciary/nomination capacity on behalf of D B View Infracore Private Limited and hence, not reflected as investment of the company.

10 Current financial assets - trade receivables

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade receivables - credit impaired	351.99	351.99
Less: Allowance for bad and doubtful debts	(351.99)	(351.99)
<b>Total</b>	<b>-</b>	<b>-</b>

10.1 Trade receivables ageing schedule as at 31st March, 2023

Particulars	Outstanding for following periods from due date of transaction					Total
	<6 months	6 months - 1 year	1 - 2 years	2 - 3 years	>3 years	
(i) Undisputed trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	351.99	351.99
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-

10.2 Trade receivables ageing Schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of transaction					Total
	<6 months	6 months - 1 year	1 - 2 years	2 - 3 years	>3 years	
(i) Undisputed trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	351.99	351.99
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-



Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)  
Notes forming part of financial statements  
All amounts are in INR (lakhs) otherwise stated

11 Cash and cash equivalents

Particulars	As at 31st March, 2023	As at 31st March, 2022
Bank balances in current accounts	38.60	4.77
Cash on hand	0.10	0.15
<b>Total</b>	<b>38.70</b>	<b>4.93</b>

12 Current financial assets- loans

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(Unsecured)</b>		
<b>Loans receivables considered good</b>		
Loan to related parties:		
- Loans to an associate (refer note no.2.05 (d) and 31)	4,137.62	4,137.62
Less: Allowances for credit losses	(4,137.62)	(4,137.62)
	-	-
Loan to other related parties (refer note no.2.05 (e))	135.54	363.42
	135.54	363.42
<b>Unsecured credit Impaired</b>		
Loan to a company	151.38	151.21
Less: Provision for doubtful recovery	(151.38)	(151.21)
	-	-
<b>Total</b>	<b>135.54</b>	<b>363.42</b>

12.1 Interest free, repayable on demand

12.2 Type of borrower	As at 31st March, 2023		As at 31st March, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Related parties	4,273.16	96.58%	4,501.04	96.75%

13 Current financial assets - others

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(Unsecured, considered good)</b>		
Other receivables	1.48	-
<b>Total</b>	<b>1.48</b>	<b>-</b>

14 Current Tax Assets (net)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(Unsecured, considered good)</b>		
Income tax refund receivable	96.01	57.96
<b>Total</b>	<b>96.01</b>	<b>57.96</b>

15 Other current assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with statutory authorities	90.99	89.58
Prepaid expenses	0.05	0.31
Service tax paid under protest (refer note no. 30)	338.38	338.38
Accrued revenue	3,000.00	2,500.00
Cost incurred to fulfil contract (refer note no. 15.1)	2,793.26	3,499.00
<b>Total</b>	<b>6,222.67</b>	<b>6,427.25</b>

15.1 Represents cost incurred to fulfil the contract entered into by the company along with other co-owners with Man Vastucon LLP for granting development rights of the land to the said party.



Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)  
Notes forming part of financial statements  
All amounts are in INR (Lakhs) otherwise stated, except equity share data

#### 16 Equity share capital

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Authorised</b>		
1,50,00,000 (Previous year 1,50,00,000) equity shares of Rs.10/- each	1,500.00	1,500.00
	<b>1,500.00</b>	<b>1,500.00</b>
<b>Issued, subscribed and paid-up</b>		
1,40,05,603 (Previous year 1,40,05,603) equity shares of Rs.10/- each	1,400.56	1,400.56
	<b>1,400.56</b>	<b>1,400.56</b>

#### 16.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	Opening balance	Fresh issue/ (buy-back)	Closing balance
<b>Equity shares</b>			
<b>Year ended 31st March, 2023</b>			
-Number of equity shares	14,005,603	-	14,005,603
<b>Year ended 31st March, 2022</b>			
-Number of equity shares	14,005,603	-	14,005,603

#### 16.2 Rights, preferences and restrictions attached to equity shares

Each equity shareholder is eligible for one vote per share held. The dividend as and when proposed by the Board of Directors shall be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

16.3 88,03,922 (previous year - 88,03,922) equity shares are held by Nine Paradise Erectors Private Limited the holding company, which is wholly owned subsidiary of D B Realty Limited

#### 16.4 Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the company

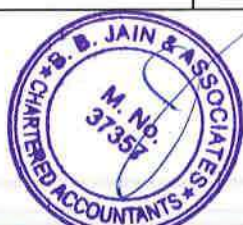
Sr. no.	Name of shareholder	As at 31st March, 2023		As at 31st March, 2022	
		No. of shares held	% of holding	No. of shares held	% of holding
1	Nine Paradise Erectors Private Limited	8,803,922	62.86%	8,803,922	62.86%
2	BD & P Hotels (India) Private Limited	4,201,681	30.00%	4,201,681	30.00%
3	Eon Hadapsar Infrastructure Private Limited	990,000	7.07%	990,000	7.07%

#### 16.5 Details of shares held by promoters in the company as at 31st March, 2023

Sr. no.	Promoter name	Opening no. of shares held	Closing no. of shares held	% of total shares	% Change during the year
1	Nine Paradise Erectors Private Limited	8,803,922	8,803,922	62.86%	0.00%
2	BD and P Hotels (India) Private Limited	4,201,681	4,201,681	30.00%	0.00%
3	Eon Hadapsar Infrastructure Pvt. Ltd.	990,000	990,000	7.07%	0.00%
4	Mr. Atul I. Chordia	5,000	5,000	0.04%	0.00%
5	Mr. Sagar I. Chordia	5,000	5,000	0.04%	0.00%

#### 16.6 Details of shares held by promoters in the company as at 31st March, 2022

Sr. no.	Promoter name	Opening no. of shares held	Closing no. of shares held	% of total shares	% Change during the year
1	Nine Paradise Erectors Private Limited	8,803,922	8,803,922	62.86%	0.00%
2	BD and P Hotels (India) Private Limited	4,201,681	4,201,681	30.00%	0.00%
3	Eon Hadapsar Infrastructure Private Limited	990,000	990,000	7.07%	0.00%
4	Mr. Sagar I. Chordia	5,000	5,000	0.04%	0.00%
5	Mr. Atul I. Chordia	5,000	5,000	0.04%	0.00%



**Horizontal Ventures Private Limited (Formerly Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**  
**All amounts are in INR (lakhs) otherwise stated**

**17 Other equity**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Reserves and surplus</b>		
<b>(i) Retained earnings</b>		
Balance at the beginning of the year	(26,964.26)	(25,129.44)
Add : (loss) for the year	45.05	(1,834.82)
<b>Balance at the end of the year</b>	<b>(26,919.21)</b>	<b>(26,964.26)</b>
<b>(ii) Other comprehensive income</b>		
Balance at the beginning of the year	0.65	0.65
Add: Remeasurement gains of defined benefit plan	-	-
<b>Balance at the end of the year</b>	<b>0.65</b>	<b>0.65</b>
<b>Total</b>	<b>(26,918.56)</b>	<b>(26,963.61)</b>

**18 Non-current financial liabilities - borrowings**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(Secured)</b>		
9,000 (previous year 9,000) Zero coupon, secured, redeemable non-convertible debentures having face value of Rs. 83,878/- each (refer note no. 18.1 and 18.2)	7,549.03	7,549.03
<b>Total</b>	<b>7,549.03</b>	<b>7,549.03</b>

**18.1 Terms and conditions :**

**- Security :**

- (i) Pledge over 2.2 crore equity shares of DB Realty Limited in dematerialised form ("Pledged Listed Securities")
- (ii) First Mortgage and charge on the admeasuring 6468.74 sq. ft carpet area in Milan Garment Hub situated at Final Plot No. 30A of TPS No. VI of Santacruz
- (iii) Second Mortgage and charge over all the rights, titles, interest of Mira Real Estate Developer in the "Mira Road Land" along with FSI and buildings constructed/ to be constructed thereon.
- (iv) First charge on existing and future receivables of the company and Goan Hotels and Realty Private Limited accruing to them from the project receipts under the development agreement read with deed of modification, escrow account(s) and all the monies lying in the escrow account(s).
- (v) First charge on existing and future receivables from Project 2 named as Milan Garment Hub, the Escrow Account(s) and all the monies lying in the escrow account.
- (vi) Pledge of 66.67% shares of the Milan Theatres Private Limited in dematerialised form.
- (vii) Corporate guarantee of DB Realty Limited.
- (viii) Corporate guarantee of Milan Theatres Private Limited.
- (ix) Personal guarantee of Mr. Vinod Goenka and Shahid Balwa.
- (x) First charge on movables pertaining to the projects and mortgaged properties.

**- Tenure**

At the end of 84 months from the date of first subscription i.e. 14th November 2017.

**- Redemption premium**

The issuer shall pay a premium of 20.00 IRR effective 15th February, 2019 calculated on the face value of the debentures at the time of redemption or premature redemption.

**18.2** In view of the deficit in the balance of the retained earnings, the company has not created debenture redemption reserve as required by Rule 18(7) of Companies (Share Capital and Debentures) Rules, 2014 read with section 71(4) of the Act.

**19 Non-current financial liabilities - others**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Redemption premium accrued but not due on debentures (refer note no. 19.1)	11,823.99	8,595.15
<b>Total</b>	<b>11,823.99</b>	<b>8,595.15</b>

**19.1** As per the terms of issue of debentures, at the end of the tenure or before that, such amount of premium shall be paid that the debenture holders will earn internal rate of return 20.00% w.e.f 15th February, 2019 (Earlier 17.50%). Accordingly, provision has been made for the present obligation of the premium amount that would be required to be paid at the time of each redemption.



Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)  
Notes forming part of financial statements  
All amounts are in INR (lakhs) otherwise stated

20 Other non-current liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest free refundable security deposit	3,675.81	7,084.40
Less: Classified as other current liabilities	(3,000.00)	(2,500.00)
<b>Total</b>	<b>675.81</b>	<b>4,584.40</b>

21 Current financial liabilities - borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured loans</b>		
- From related parties (refer note no. 21.1 and 31)	15,114.64	14,768.83
- From others	9.01	9.01
<b>Total</b>	<b>15,123.66</b>	<b>14,777.84</b>

21.1 Interest free and repayable on demand.

22 Current financial liabilities - trade payables

Particulars	As at 31st March, 2023	As at 31st March, 2022
- Total outstanding dues of micro enterprises and small enterprises (refer note no. 22.3)	-	6.40
- Total outstanding dues of creditors other than micro enterprises and small enterprises	146.32	139.06
<b>Total</b>	<b>146.32</b>	<b>145.46</b>

22.1 Trade payables ageing as of 31st March, 2023

Particulars	Unbilled	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	0.82	-	0.18	-	145.32	146.32
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

22.2 Trade payables ageing as of 31st March, 2022

Particulars	Unbilled	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	1.15	2.01	3.24	6.40
(ii) Others	-	-	-	7.50	131.56	139.06
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

22.3 Details of dues to micro enterprises and small enterprises as per MSMED Act, 2006

Particulars	As at 31st March, 2023	As at 31st March, 2022
The Principal amount outstanding at the end of the year (not due)	-	6.40
Interest due thereon remaining unpaid to any suppliers as at 31st March	-	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006.	-	-
The amount of the payment made to the supplier beyond the appointed day during each accounting year in terms of section 16 of the MSMED Act, 2006	-	-
The amount of interest due and payable for the period of delay in making payments.	-	-
The amount of interest accrued and remaining unpaid as at 31st March.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

22.4 The information has been given in respect of such suppliers to the extent they could be identified as micro and small enterprises on the basis of information received and available with the Company. Auditors have relied on the same.





**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**  
**All amounts are in INR (lakhs) otherwise stated**

**23 Other current liabilities**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory dues	69.43	75.68
Interest free refundable security deposit (refer note no. 23.1)	3,000.00	2,500.00
<b>Total</b>	<b>3,069.43</b>	<b>2,575.68</b>

- 23.1 Represents deposit received from Man Vastucon LLP against grant of development rights of the land in terms of the agreements entered into by the company along with other co-owners with the said party.

**24 Current provisions**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for obligations to fulfil contract (refer note no. 24.1 and 24.2)	1,303.00	1,303.00
Provision for compensation	14.05	14.05
<b>Total</b>	<b>1,317.05</b>	<b>1,317.05</b>

- 24.1 In granting development rights of the land, the company has consumed part of the rights of the land owned by Lion Pencils Limited (LPL). As per the understanding reached by the company along with other co-owners of the land with LPL, the parties hereto have taken the obligation of taking over restructure entity of LPL and provide free of cost constructed promiscot. Accordingly, in terms of the MOU, the company has paid non-refundable security deposit of Rs.1,190.75 lakhs to LPL which would stand adjusted against the cost of acquisition of shares of the structured company of LPL. In the opinion of the company, the placing of such deposit including the unpaid amount and cost for providing constructed premises represent an obligation emanating from granting development rights of the land to Man Vastucon LLP. Therefore, the amount paid to LPL and the amount provided towards the pending obligation is allocated to cost to fulfil the contracts.

**24.2 Movement in provision for obligations to fulfil contract:**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening	1,303.00	1,303.00
Add: Provided during the year	-	-
Less: Paid during the year	-	-
<b>Closing</b>	<b>1,303.00</b>	<b>1,303.00</b>



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**  
**All amounts are in INR (lakhs) otherwise stated**

**25 Revenue from operations**

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue from granting of development rights of land	4,797.41	255.73
<b>Total</b>	<b>4,797.41</b>	<b>255.73</b>

**26 Other income**

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest income on : -financial assets at amortized cost -income tax refunds	36.20 -	- 0.95
<b>Total</b>	<b>36.20</b>	<b>0.95</b>

**27 Cost incurred to fulfill contracts**

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Amortisation of cost of assignment of development rights of land	705.74	-
<b>Total</b>	<b>705.74</b>	<b>-</b>

**28 Finance costs**

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on financial liabilities at amortised cost Interest on delay payment of taxes	3,228.84 0.33	2,681.10 4.95
<b>Total</b>	<b>3,229.17</b>	<b>2,686.05</b>

**29 Other expenses**

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Fair valuation loss	466.01	-
Legal and professional fees expenses (refer note no. 29.1)	16.85	6.80
Loss on foreign currency transactions (net)	9.04	1.32
Balances written-off	-	1.82
Allowance for doubtful loan	0.17	3.33
Establishment and administrative expense	5.51	7.60
<b>Total</b>	<b>497.57</b>	<b>20.87</b>

29.1 Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Payment to the auditors' - Audit fees	0.20	0.20
<b>Total</b>	<b>0.20</b>	<b>0.20</b>



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**  
**All amounts are in INR (Lakhs) otherwise stated, except equity share and per share data**

**30 Contingent liabilities and other commitments**

**30.1 Contingent liabilities**

There is a service tax demand of Rs. 1,843.77 lakhs against which the company has preferred an appeal which is pending before CESTAT. The company is legally advised that it has fair chance of favorable outcome and hence, in the opinion of the management of the company, provision for disputed demand is not necessary. The company has paid under protest Rs. 338.38 lakhs

**30.2 Other commitments**

There are no capital or other commitments pending on the part of the company.

**31 Related party disclosures**

As per Indian Accounting Standard 24 (Ind AS 24) 'Related Party Disclosures', the disclosures of related parties and transactions with them are given below:

**31.1 List of related parties with whom transactions have taken place and relationships**

<b>Name of the related party</b>	<b>Description of relationship</b>
DB Realty Limited	Ultimate holding company
Nine Paradise Erectors Private Limited	Holding company
Conwood DB Joint Venture	Fellow subsidiary
MIG (Bandra) Realtors and Builders Private Limited	Fellow subsidiary
Real Gem Buldtech Private Limited	Fellow subsidiary
DB View Infracon Private Limited	Fellow subsidiary
BD&P Hotels (India) Private Limited	Associate
Milan Theatres Private Limited	Associate
Sahyadri Agro and Dairy Private Limited	Associate
Marine Drive Hospitality & Realty Private Limited	Common directors
Goan Hotels & Realty Private Limited	Common directors

**31.2 Transactions with related parties**

<b>Particulars</b>	<b>For the year ended 31st March, 2023</b>	<b>For the year ended 31st March, 2022</b>
<b>Loans taken</b>		
- Fellow subsidiary		
DB View Infracon Private Limited	-	1,711.26
- Associate		
BD&P Hotels (India) Private Limited	-	5.00
- Ultimate holding		
D B Realty Limited	3,054.46	-
<b>Loans given</b>		
- Associate		
Sahyadri Agro and Dairy Private Limited	500.00	-
<b>Accrued interest</b>		
- Associate		
Sahyadri Agro and Dairy Private Limited	32.58	-
<b>Loans repaid</b>		
- Associate		
BD&P Hotels (India) Private Limited	2,700.00	15.00
- Fellow subsidiary		
DB View Infracon Private Limited	8.00	-
<b>Receipt of loan granted</b>		
- Common director		
Marine Drive Hospitality & Realty Private Limited	218.00	382.30
<b>Reimbursement of expenses incurred on behalf of the company</b>		
- Common director		
Marine Drive Hospitality & Realty Private Limited	9.88	16.48
<b>Provision for compensation payment</b>		
- Fellow subsidiary		
Conwood DB Joint Venture	1.55	1.79
- Common director		
Goan Hotels & Realty Private Limited	2.27	3.53



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Avlation Private Limited)**  
**Notes forming part of financial statements**  
**All amounts are in INR (Lakhs) otherwise stated, except equity share and per share data**

**31.3 Outstanding balances as of year end**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Loans taken</b>		
- Ultimate company		
DB Realty Limited	3,054.46	4.46
- Holding company		
Nine Paradise Erectors Private Limited	6,948.30	6,948.30
- Fellow subsidiary		
DB View Infracon Private Limited	1,703.26	1,711.26
MIG (Bandra) Realtors and Builders Private Limited	0.21	0.21
Conwood DB Joint Venture	13.32	11.78
- Associate		
BD&P Hotels (India) Private Limited	3,390.57	6,090.57
- Common director		
Goan Hotels & Realty Private Limited	4.53	2.26
<b>Loans given</b>		
- Associate		
Sahyadri Agro and Dairy Private Limited	532.58	-
<b>Receipt of loan granted</b>		
- Common director		
Marine Drive Hospitality & Realty Private Limited	135.54	363.42
- Associate		
Milan Theatres Private Limited	4,137.62	4,137.62
<b>Trade receivables</b>		
- Common director		
Marine Drive Hospitality & Realty Private Limited	1.00	1.00

**32 Guarantees received**

DB Realty Limited ultimate holding company, Milan Theatres Private Limited, Mira Real Estate Developers, Goan Hotel and Realty Private Limited have given their assets by way of charge against debentures issued by the company to ECL Finance Limited. Further, DB Realty Limited and Milan Theatres Private Limited have also given their corporate guarantees for debentures issued by the company. The outstanding principal amount of debentures in the books of the company is Rs.7,549.03 lakhs (Previous year Rs.7,549.03 lakhs).

**33 Basic and diluted earnings per share**

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(Loss) after tax as per the Statement of profit and loss (Rupees)	45.05	(1,834.82)
Weighted average number of equity shares (Nos.)	14,005,603	14,005,603
Par value per share (Rupees)	10.00	10.00
Basic and diluted earnings per share (Rupees)	0.32	(13.10)

**34 Operating segments**

The company is in the business of real estate development which is the only reportable operating segment. Hence, separate disclosure requirements of Ind AS - 108 - Operating Segment are not applicable.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes Forming Part of Financial Statements**  
**All amounts are in INR (lakhs) otherwise stated**

**35 Financial instruments**

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2.11 of the Ind AS financial statements.

**35.1 Financial assets and liabilities**

The carrying value of financial instruments by categories as of 31st March, 2023 were as follows:

Particulars	Note no.	At fair value through Statement of Profit and Loss	Amortised cost	Carrying amount As at 31st March, 2023
<b>Financial assets:</b>				
(i) Investments	5&9	1,245.24	-	1,245
(ii) Trade receivables	10	-	-	-
(iii) Cash and cash equivalents	11	-	38.70	38.70
(iv) Loans	6&12	-	668.12	668.12
(v) Other financial assets	13	-	1.48	1.48
<b>Total</b>		<b>1,245.24</b>	<b>708.30</b>	<b>1,953.54</b>
<b>Financial liabilities:</b>				
(i) Borrowings	18 & 21	-	22,672.69	22,672.69
(ii) Trade payables	22	-	146.32	146.32
(iii) Other financial liabilities	19	-	11,823.99	11,823.99
<b>Total</b>		<b>-</b>	<b>34,643.00</b>	<b>34,643.00</b>

The carrying value of financial instruments by categories as of 31st March, 2022 were as follows:

Particulars	Note no.	At fair value through Statement of Profit and Loss	Amortised cost	Carrying amount As at 31st March, 2022
<b>Financial assets:</b>				
(i) Investments	5	-	-	-
(ii) Trade receivables	10	-	-	-
(iii) Cash and cash equivalents	11	-	4.93	4.93
(iv) Loans	12	-	363.42	363.42
<b>Total</b>		<b>-</b>	<b>368.35</b>	<b>368.35</b>
<b>Financial liabilities:</b>				
(i) Borrowings	18 & 21	-	22,326.87	22,326.87
(ii) Trade payables	22	-	145.46	145.46
(iii) Other financial liabilities	19	-	8,595.15	8,595.15
<b>Total</b>		<b>-</b>	<b>31,067.48</b>	<b>31,067.48</b>

**35.2 Fair value hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2: Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes Forming Part of Financial Statements**  
**All amounts are in INR (lakhs) otherwise stated**

The following table summaries financial assets measured at fair value on a recurring basis:

Financial assets	Level 1	Level 2	Level 3	Total
<b>As at 31st March, 2023:</b>				
3,27,555 (Previous Year nil) equity shares of Milan Theatres Private Limited having nominal value per share of Rs. 10 each	-	-	-	-
<b>As at 31st March, 2022:</b>				
3,27,555 (Previous year nil) equity shares of Milan Theatres Private Limited having nominal value per share of Rs. 10 each	-	-	-	-
	-	-	-	-

**35.3 Financial risk management:**

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on clear understanding of variety of risk that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: interest rate risk, credit and default risk and liquidity risk. Financial instruments affected by market risk include loans and borrowings and deposits. The company does not have material foreign currency exchange rate risk.

**(A) Interest risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's debt obligations with floating interest rates. However, the company does not have any borrowings with floating rate of interest and thus sensitivity analysis is not disclosed.

**(B) Credit risk and default risk:**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables, business advances/deposit given) and from its investing activities (primarily loans granted to various parties including related parties).

**(C) Liquidity risk:**

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and unsecured loans. The company has access to a sufficient variety of sources of funding which includes funding from holding company which is expected to be rolled over in case of any liquidity gap. Further, the company is adequately supported by its related parties to provide financial stability.

The table below provides details regarding the contractual maturities of financial liabilities as at 31st March, 2023

Particulars	Amount payable/receivable during below period				
	As at 31st March 2023	Within 1 year	1-2 years	2-5 years	more than 5 years
<b>- Liabilities</b>					
<b>(I) Borrowings</b>					
(i) Non-current					
Secured	7,549.03	-	7,549.03	-	-
(ii) Current					
Related party - Unsecured	15,114.64	15,114.64	-	-	-
Others	9.01	9.01	-	-	-
<b>(II) Current trade payables</b>	146.32	146.32	-	-	-
<b>(III) Other financial liabilities</b>	11,823.99	-	11,823.99	-	-



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes Forming Part of Financial Statements**  
**All amounts are in INR (lakhs) otherwise stated**

The table below provides details regarding the contractual maturities of financial liabilities as at 31st March, 2022 :

Particulars	Amount payable/receivable during below period				
	As at 31st March 2022	Within 1 year	1-2 years	2-5 years	more than 5 years
<b>- Liabilities</b>					
<b>(I) Borrowings</b>					
(i) Non - current					
Secured	7,549.03	-	-	7,549.03	-
(ii) Current					
Related party - Unsecured	14,768.83	14,768.83	-	-	-
Others	9.01	9.01	-	-	-
(II) Current trade payables	145.46	145.46	-	-	-
(III) Other financial liabilities	8,595.15	-	-	8,595.15	-

**36 Capital management:**

For the purposes of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

**37 Reconciliation of liabilities arising from financing activities :**

Particulars	Opening balance	Cash movement	Fair value changes	Others	Total
<b>As at 31st March, 2023</b>					
Borrowings	22,322.28	345.82	-	-	22,668.10
<b>Total</b>	<b>22,322.28</b>	<b>345.82</b>	<b>-</b>	<b>-</b>	<b>22,668.10</b>
<b>As at 31st March, 2022</b>					
Borrowings	20,966.00	1,356.28	-	-	22,322.28
<b>Total</b>	<b>20,966.00</b>	<b>1,356.28</b>	<b>-</b>	<b>-</b>	<b>22,322.28</b>



**Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**  
**Notes forming part of financial statements**  
**All amounts are in INR (lakhs) otherwise stated**

**38 Disclosure of ratios**

Sr. no.	Particulars	Formula's used	Ratios		Variance	Reason for variance
			As at 31st March, 2023	As at 31st March, 2022		
1	Current ratio (in times)	Current assets Current liabilities	0.39	0.46	-13.50%	NA
2	Debt equity ratio (in times)	Total debt Shareholders fund	(1.38)	(1.39)	-0.77%	NA
3	Debts services coverage ratio (in times)	Earning available for debt services Debt services	0.19	0.01	1182.92%	Refer note no. 38.1
4	Return on equity (in %)	Net profit after taxes - Preference dividend (if any) Average share capital	3.22%	-131.01%	-102.46%	Refer note no. 38.1
5	Inventory turnover ratio (in times)	Cost of goods sold or Sales Average inventory	NA	NA	NA	-
6	Trade receivable turnover ratio (in times)	Net credit sales Average accounts receivables	NA	NA	NA	-
7	Trade payable turnover ratio (in times)	Net credit purchase+ Other expense Average trade payable	NA	NA	NA	-
8	Net capital turnover ratio (in times)	Net sales Working capital	NA	NA	NA	-
9	Net profit ratio (in %)	Net profit (after tax) Net sales	NA	NA	NA	-
10	Return on capital employed (in %)	Earning before interest and taxes Capital employed	37.60%	2.37%	1485.57%	Refer note no. 38.1
11	Return on investment (in %)	Income generated from invested fund Average invested funds	-	-	NA	-

38.1 Revenue recognised during the year is due to sales in an earlier year and interest is on account of premium payable on secured debentures. Other than this there are no operations in the company hence the ratios cannot be analysed for its variances.

39 As per Section 203 of the Companies Act, 2013, the company is required to appoint whole time company secretary as the paid up share capital of the company exceeds Rs 10 crores. The company has made efforts for appointing whole time company secretary. However, the company is not able to recruit and it is still in the process of appointing a whole time company secretary. The group has a company Secretarial Department whose services are utilized by it in managing its affairs.





**\*Horizontal Ventures Private Limited (Formally Known as "Horizontal Realty & Aviation Private Limited)**

**Notes forming part of financial statements**

All amounts are in INR (lakhs) otherwise stated

- 40 Following additional regulatory information in terms of clause L of note 6 and clause (n) of note 7 of Division II to Schedule III of the Act is disclosed .**
- 40.01 Wilful defaulter**  
As on 31st March, 2023 the company has not been declared wilful defaulter by any bank/financial institution or other lender.
- 40.02 Details of crypto currency or virtual currency**  
The company is not engaged in the business of trading or investing in crypto currency or virtual currency and hence no disclosure is required.
- 40.03 Registration of charges or satisfaction with Registrar of Companies (ROC)**  
The company does not have any charges or satisfaction yet to be registered with the ROC beyond the statutory period as at 31st March, 2023.
- 40.04 Compliance with number of layers of companies**  
The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 40.05 Utilisation of borrowed funds**  
The company has not advanced any funds or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.  
The company has not received any funds from any person(s) or entities including foreign entities ("funding parties") with the understanding that the company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the ultimate beneficiaries.
- 40.06 Borrowings secured against current assets**  
The company does not have borrowings secured against current assets and hence no disclosure is required.
- 40.07 Benami property**  
No proceedings have been initiated or are pending against the company as on 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 40.08 Relationship with struck off companies**  
The company does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and hence no disclosure is required.
- 40.09 Compliance with approved scheme(s) of arrangements**  
The company has not entered into any scheme of arrangements in terms of sections 230 to 237 of the Companies Act, 2013.
- 41** Figures of the previous year have been regrouped/reclassified wherever necessary to conform to the presentation of the current year.

As per our attached report of even date

For **B. B. Jain & Associates**  
Chartered Accountants  
Firm registration no. 103889W

Proprietor  
Membership no. : 037357



For and on the behalf of Board of Directors

Hifzurtehran Kadiwal  
Director  
DIN: 02254751

Nitesh Agarwal  
Chief Financial Officer

Faizan Pasha  
Director  
DIN: 06457095

Place : Mumbai  
Date : 29-05-2023

Place : Mumbai  
Date : 29-05-2023