

SRP Prosperita Hotel Ventures Limited

Notes to Standalone Financial Statements for Year Ended March 31, 2024

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

b) Transactions with related parties:

(Rs.)

Particulars	Company	As at March 31, 2024	As at March 31, 2023
Sale of Service/Material	BEL	6	19
Sale of Service/Material	WTC	0	0
Sale of Service/Material	PREPL	4	8
Sale of Service/Material	BHSL	5	-
Sale of Service/Material	SEL	9	-
Reimbursement of Expenses	BHVL	12	58
Reimbursement of Expenses	BHSL	2	-
Reimbursement of Expenses	SEL	3	-
Sale of Property, Plant & Equipment	BHSL	-	444
Sale of Property, Plant & Equipment	SEL	-	719
Interest on NCD	BHVL	0	0
Interest on NCD	SEL	0	0
Notional Interest on NCD	BHVL	34	30
Notional Interest on NCD	SEL	14	13
Rental Security Deposit Received	BHVL	-	33
Rental Security Deposit Paid Back	BHVL	-	33
Purchase of Service/Material	BHVL	15	-
Sale of Service/Material	SRP Gears	0	0
Sale of Service/Material	Mr. Badri Palaniappan	0	0
Sitting Fees	Ms Susan Mathew	1	1

c) Balance outstanding at the end of the period:

Particulars	Company	As at March 31, 2024	As at March 31, 2023
CCPS	BHVL	3,244	3,244
	SEL	200	200
	BEL	150	150
Outstanding Receivable	BEL	4	0
Debt component of compound financial instruments (NCD)	BHVL	313	280
	SEL	131	117
Outstanding Receivable	SEL	4	-
Outstanding Receivable	SRP Gears	0	-
Outstanding Payable	BHVL	1	-
Outstanding Receivable	Director -Mr Badri Palaniappan	-	0

Notes:

1. The related party transactions are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivable or payable.

2. In respect of the transactions with the related parties, the Company has complied with the provisions of Section 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company.



31 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade, other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk.

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments 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 long-term debt obligations with floating interest rates.

The Company is affected by the price volatility of certain commodities. The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the entity's profit/(loss) before tax is due to changes in the fair value of non-current and current borrowings and other current and non current financial liabilities.

Particulars	Change in interest rate	Effect on loss before tax
March 31, 2024	+1%	50
	-1%	(50)
March 31, 2023	+1%	104
	-1%	(104)

The company also exposed to transactional foreign currency risk on trading activities which are not material. There is no unhedged foreign currency exposure as on 31st March 2024.

ii. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables/ unbilled revenue and other financial assets.

Other financial assets are bank deposits with banks and hence, the Company does not expect any credit risk with respect to these financial assets.

With respect to other financial assets, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss. At the balance sheet date, there was no significant concentration of credit risk and exposure thereon.

iii. Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of borrowings and lease contracts. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Maturity period	March 31, 2024	March 31, 2023
Financial liabilities - Current			
Current borrowings - term loans from banks	Within 1 year	1,621	2,048
Current borrowings - bank overdraft	Within 1 year	403	239
Current borrowings - loans from related parties	Within 1 year	312	-
Trade payables	Within 1 year	120	101
Other financial liabilities	Within 1 year	464	391
Financial liabilities - Non Current			
Non-Current borrowings - term loans from banks	Between 1-10 years	7,099	6,069
Non-Current borrowings - loans from related parties	Between 1-5 years	200	397
Lease liabilities	Between 1-30 years	-	-
Other financial liabilities	Between 1-3 years	-	25

