



Date: - 08/09/2023

To,
The General Manager
Corporate Relationship Department,
BSE Limited
1st Floor, New trading Ring,
Rotunda Building, PJ Towers,
Dalal Street, Fort, Mumbai-400001

Script Code/Symbol: 532016/Espire

Subject:-

Annual Report for the financial year 2022-23 and Notice Convening the 32nd Annual General Meeting

Dear Sir/Madam,

Pursuant to Clause 34 of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, we submit herewith the Annual Report of the Company for the year 2022-23 along with the Notice conveying the 32nd Annual General Meeting scheduled to be held on 30th September,23.

The Annual Report is also available on the Company's website www.espirehospitality.com

Kindly take this communication on records and inform the same to your members.

**Thanking You,
Yours faithfully
Espire Hospitality Limited**

Sumeer Narain Mathur



(Sumeer Narain Mathur)

Company Secretary & Compliance officer

Membership No: FCS9042

Encl: As above

Go beyond imaginations with Espire Hospitality Limited



Your gateway to the scenic Treasures

Annual Report – F.Y 2022-23



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Amit Rai
Non-Executive Director
(DIN: 00088067)

Mr. Gagan Oberoi
Non-Executive Director
(DIN: 00087963)

Ms. Leela Bisht
Non-Executive Director
(DIN: 07172417)

Mr. Saurabh Kedia
(till 30th July,22)
Independent Director
(DIN: 02476376)

Mr. Amit Kumar Jain
Appointed w.e.f 30th July,22
Independent Director
(DIN: 00334133)

Mr. Pramod Bhatnagar
Independent Director
(DIN: 02269852)

Mr. Dileep Kumar
Independent Director
(DIN: 08242564)

Mr. Prithvi Raj Singh
Managing Director
(DIN: 02876176)

Mr. Rajeev Chatterjee
Chief Financial Officer
(Appointed w.e.f
15.08.2023)

COMMITTEES OF DIRECTORS

AUDIT COMMITTEE

Mr. Dileep Kumar - Chairman
Mr. Pramod Bhatnagar-Member
Mr. Amit Kumar Jain -Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Dileep Kumar - Chairman
Mr. Pramod Bhatnagar-Member
Mr. Amit Kumar Jain -Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Dileep Kumar - Chairman
Mr. Pramod Bhatnagar-Member
Mr. Amit Kumar Jain -Member

RISK MANAGEMENT COMMITTEE

Mr. Dileep Kumar - Chairman
Mr. Pramod Bhatnagar-Member
Mr. Amit Kumar Jain -Member

COMMITTEE OF DIRECTORS

Mr. Dileep Kumar - Chairman
Mr. Pramod Bhatnagar-Member
Mr. Amit Kumar Jain –Member

Mr. Sumeer Narain Mathur
Company Secretary
& Compliance Officer
(FCS-9042)

REGISTRAR & TRANSFER AGENT

M/s Sky Line Financial Services Pvt Ltd
D-153-A, 1st Floor, Okhla Industrial area Phase-I, New Delhi-110020
[Tel:91-11-40450193-97](tel:91-11-40450193-97)
Fax:91-11-30857562 [Email:admin@skylinerta.com](mailto:admin@skylinerta.com)

BANKERS

HDFC
SBI
ICICI BANK

REGISTERED OFFICE

Shop# 1, Country Inn, Mehraon, Bhimtal, Uttarakhand 248179

CORPORATE OFFICE :

A 41, Mohan Co-Operative Industrial Estate, Mathura Road New Delhi 110044

AUDITORS STATUTORY

M/s Bansal & Co, Chartered Accountants, New Delhi

INTERNAL

M/s Kapilaman & Associates, Chartered Accountants, Delhi

SECRETARIAL

M/s RSH & Associates, Practicing Company Secretaries, Delhi

INVESTOR EMAIL ID

investor@espirehospitality.com

WEBSITE

www.espirehospitality.com

LISTING OF EQUITY SHARE

Bombay Stock Exchange (BSE)

(Code/Symbol : 532016/ Espire) (ISIN:INE176O01011

CORPORATE IDENTIFICATION NUMBER (CIN)

L45202UR1991PLC000604

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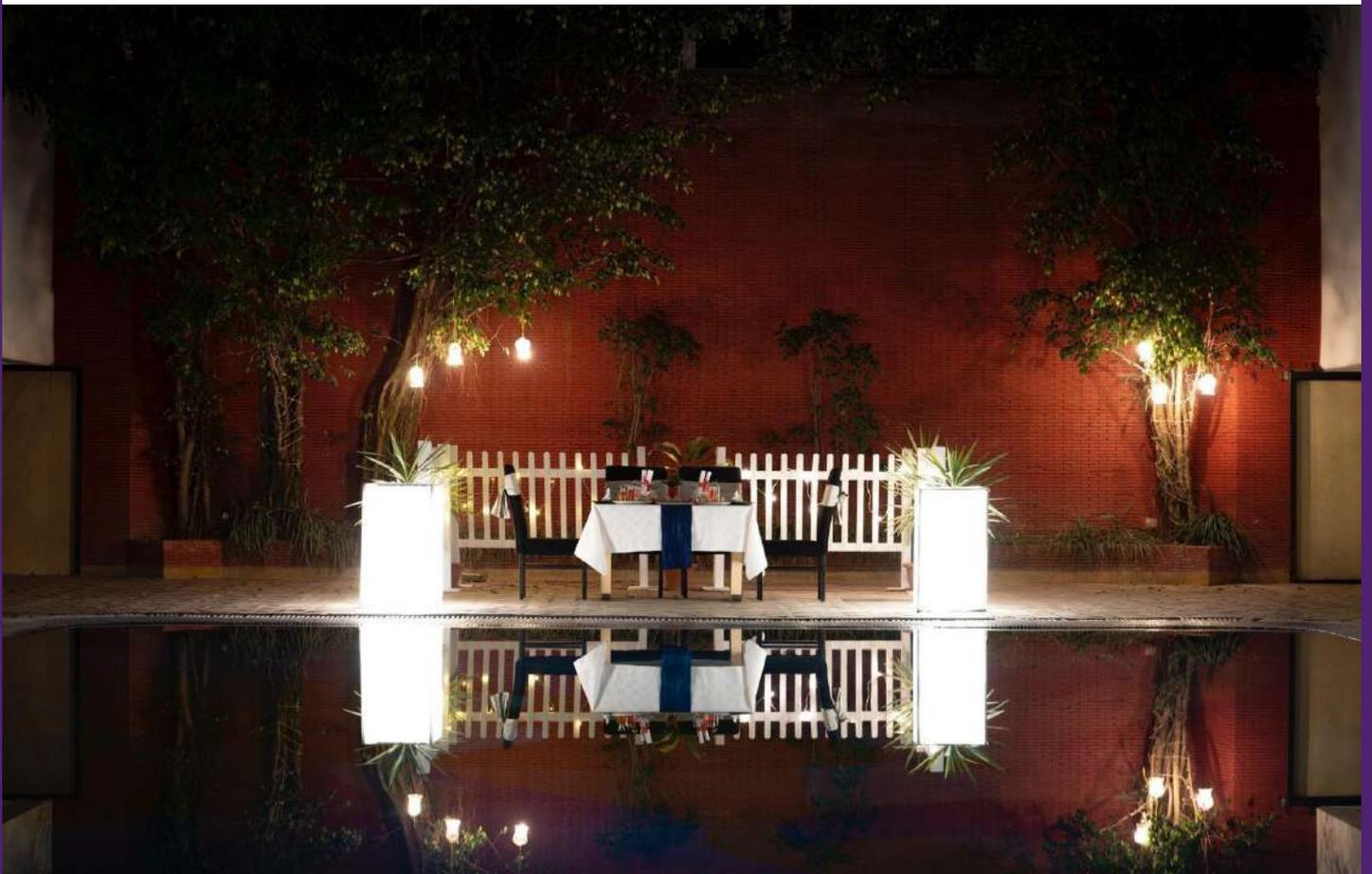
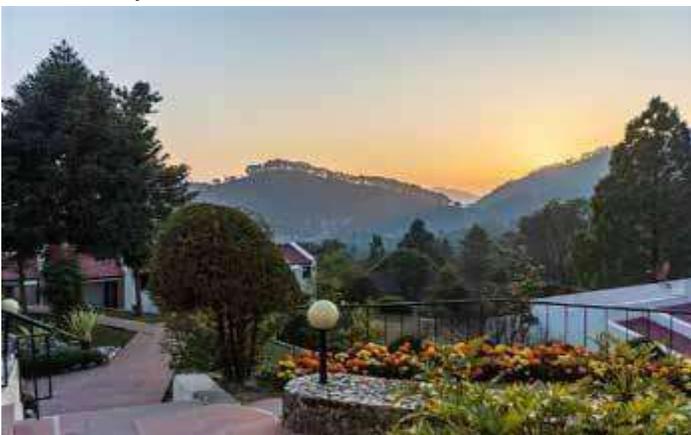
About our Hotels

Country Inn Nature Resort- Bhimtal

Bhimtal is a peaceful and calming destination that is most popular among travelers who prefer less crowded locations. Besides the pristine beauty of this place, people also visit Bhimtal for adventure, to experience scenic nature walks and treks. Many devotees flock to Bhimtal as it nestles some of the most famous temples that have great religious significance. At this peaceful hill station, go boating, water zorbing, and paragliding or simply enjoy the rays of glittering sun beaming over your face and watch the beautiful migratory birds.

Spread across 13 acres of landscaped area covered by beautiful flora, with over 100 variety of trees and offering views of the scenic mountains,

Country Inn Nature Resort, Bhimtal is a melting pot of sublime nature and earthen treasures. With tastefully designed cottages and suites, the resort features expansive landscaped gardens, an outdoor swimming pool, kids activity room, tennis & badminton court and a multi-cuisine all-day dining restaurant, Flames.



Country Inn Riverside Resort – Jim Corbett

If you are a wildlife lover, a visit to the natural habitat of Jim Corbett National Park is a must-have experience. Located on the foothills of Himalayas, it is the home to spectacular wildlife and one of the best places to spot the Royal Bengal Tiger. Explore the magical landscape of the forest and lush green pathways cut across by the river and scenic waterfalls, or even camp overnight under starry skies, if you fancy. A unique confluence of relaxation, adventure and serenity, Country Inn Tarika Riverside Resort, Jim Corbett is your blissful escape to kick-off your adventure in the wild. Set in the natural surroundings of the forest, only 25 meters away from the pristine Kosi River and Himalayas framing the backdrop, Country Inn Tarika Riverside Resort, Jim Corbett is an ideal base to explore the rich diversity of Jim Corbett. With inspirational architecture and landscaped gardens, the resort features an outdoor swimming pool, game arcade, a unique bonfire area and two dining outlets including 'The Courtyard', a multi-cuisine restaurant and 'The Kebab Factory', an Indian specialty restaurant to relish an unlimited feast of some celebrated kebabs and curries of India



Zana Lake Resort- Udaipur

Located just 20 minutes from the Maharana Pratap Airport, Zana Lake Resort, Udaipur is conveniently close to the key attractions of this Venice of the East and yet, far away from the bustle of the city.

The collection of 30 modern guestrooms at Zana Lake Resort, Udaipur are tastefully designed and offer serene view of the lake. Each room opens into an outdoor sit-out area so that you can relax in the privacy of your room while also enjoying the views on offer.



Country Inn Tarika Varca Beach, Goa

Situated on the west coast of India, Goa is one of the most delightful states of India. It is endowed with a variety of attractions including palm-fringed beaches, miles of golden sands, lush green countryside, an incredible mosaic of cultural heritage, magnificent churches, temples, forts, and museums. With its tropical climate, Goa is a tourist destination for all seasons. It is a treasure trove of culture, music, dances, and art forms that can be enjoyed during local festivals and celebrations.

Located at a leisurely walk from the pristine white sand Varca Beach, Country Inn Tarika, Goa, Varca Beach offers a tranquil escape from the hustle and bustle of city life. This quaint resort offers 48 well-designed rooms, food and beverage offerings, a pillar-less ballroom for social and corporate gatherings and a stunning outdoor swimming pool to unwind and rejuvenate.



Country Inn Maple Resort Chail

A serene and quiet hill station tucked in the lap of nature in Himachal Pradesh, Chail is known for its spectacular settings, sightseeing and adventure. Merely 2 hours drive away from Shimla, this lovely town was a former summer retreat of the Maharaja of Patiala and is a haven for those seeking escape from the city life. It is an ideal destination to experience the quiet nature, chirping birds, with a perfect ambience to unwind and connect with self or strengthen bonds with your family.

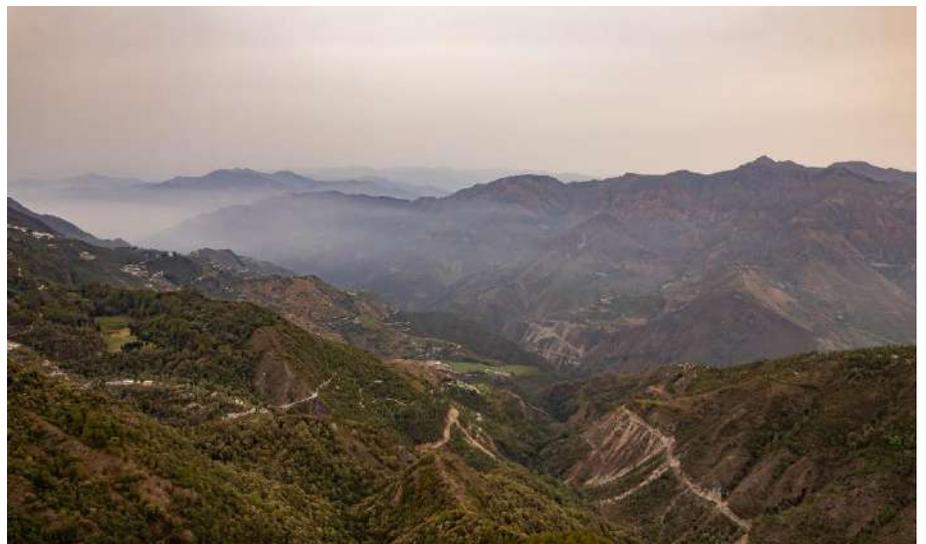
Country Inn Maple Resort, Chail is conveniently located on Kandaghat-Chail road, amidst snow-clad mountains and picturesque landscapes to become your perfect home in the hills.

With 30 spacious rooms, tranquil views, lush green lawns and excellent cuisine, the resort is a tasteful amalgamation of sublime nature and modern aesthetic. A contemporary take to immerse travelers in the local beauty and distinct character of the destination.



COUNTRY INN PREMIER- The Prominence, Dehradun

Conveniently located on the Dehradun - Mussoorie road, 'Country InnPremier - The Prominence, Dehradun' overlooks the tranquil Malsi forest and majestic Himalayan range. The upscale hotel is a tasteful amalgamation of modern aesthetic and enriching experiences that promises an elevated stay in Dehradun. Featuring 42 contemporary guestrooms, destination dining options and with every detail crafted carefully, the hotel is sure to offer lasting memories. At 'Country Inn Premier - The Prominence, Dehradun', experience the well-known 'Country Inn' hospitality that is heartfelt and intuitive, spacious interiors and premium amenities for an inspiring stay





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About the Report

BASIS OF PREPARATION

The non-statutory section of this Report is based on the principles contained in the International Integrated Reporting Framework (the International Framework) published by the International Integrated Reporting Council (IIRC). This Report seeks to provide a balanced and transparent assessment of how we create value, considering both qualitative and quantitative matters that are material to our operations and strategic objectives, which may influence our stakeholders' decision-making.

Other statutory reports, including the Directors' Report, its annexures, the Management Discussion and Analysis (MDA) and the Corporate Governance Report, are as per the Companies Act, 2013 (including the Rules framed thereunder), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the revised Secretarial Standards issued by the Institute of Company Secretaries of India. The financial statements are in accordance with the Indian Accounting Standards.

REPORTING PERIOD

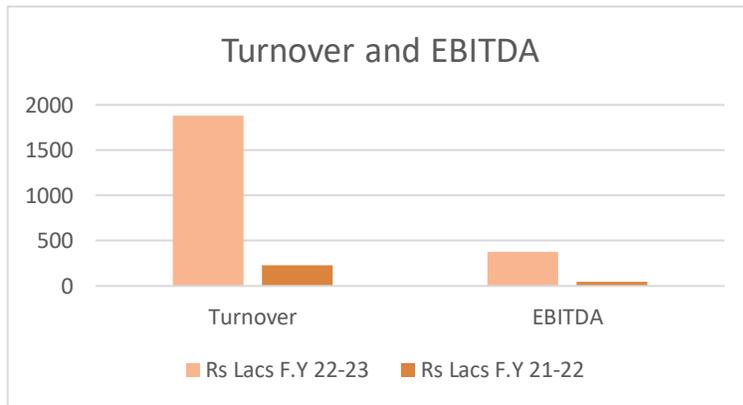
The EHL Limited Report provides material information on our strategy and business model, operating context, risks, performance, prospects and governance, covering the financial year between April 1, 2022 and March 31, 2023.

FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

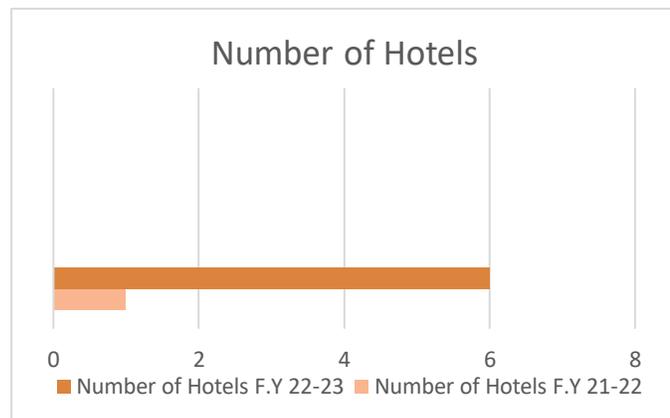
We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should know or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. The information/disclosures made in this Annual Report are as on date of respective report and document and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Highlights of the Year



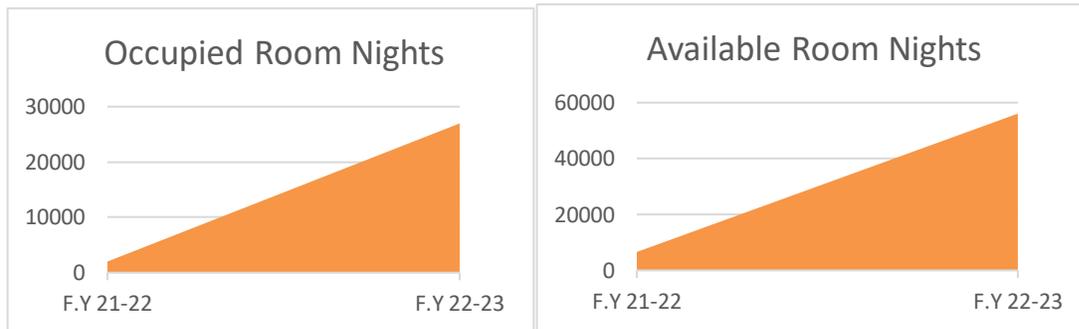
The revenue recorded during the F.Y is Rs 1883.30 lacs as compared to last year's revenue of Rs 230.75 lacs

During the F.Y 22-23 the company has Added Five new hotels in its kitty, while in the last Year the company was operating with only One Hotel



During the year the available inventory of room nights stood at 56077 as compared to last year's inventory of 6469 room nights.

The occupied room nights were also stood at 26971 room nights as compared to 1954 room nights recorded during the F.Y 21-22



The company has created its own brand name for its luxurious segment of Hotels namely "Zana Luxury Escapes"



Recognitions & Awards

During its first full year of Hotel operations, has earned various recognitions and awards: -

Country Inn Nature Resort Bhimtal got "Travelers' Choice 2023" award from TripAdvisor



Country Inn Tarika Riverside Resort Jim Corbett got "Travelers' Choice 2023" award from TripAdvisor





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NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting (AGM) Of Espire Hospitality Limited (“The Company or EHL”) will be held on Saturday, 30th September, 2023 at 10:30 AM Indian Standard Time (IST) at “Country Inn Nature Resorts”, Mehragoan, Bhimtal, Uttarakhand-248179, through Physical Mode to transact the following business: -

ORDINARY BUSINESS: -

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Gagan Oberoi (DIN: 000087963) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

1. Increase in Authorised Share Capital of the Company and Alteration of Capital Clause of Memorandum of Association of the Company

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the Rules framed thereunder consent of the Members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 15,00,00,000 (Rupees Fifteen crore) divided into 1,50,00,000 (One Crore Fifty Lacs Only) Equity Shares of Rs.10/- each to Rs. 25,00,00,000 (Rupees Twenty five Crore) divided into 2,50,00,000 (Two Crores Fifty Lacs Only) Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, consent of the Members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place, the following:-

“V. The Authorized Share Capital of the Company is Rs. 25,00,00,000 (Rupees Twenty Five Crores) divided into 2,50,00,000 (Two Crore Fifty Lacs Only) Equity Shares of Rs.10/- each (Rupees Ten Each)with the rights, privileges and conditions attached thereto as per the relevant provisions contained in that behalf in the Articles of Association of the Company and with power to increase or reduce the same and to divide the shares in several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being in force, and to vary, modify, enlarge or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being in force.”

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board and the Company Secretary & Compliance Officer of the company is be and hereby authorized by the Board of Directors, be and are hereby authorized to do all such acts, deeds, matters and things whatsoever, including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard”

2. Alteration of Articles of Association of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**: -

“**RESOLVED FURTHER THAT** pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, consent of the Members of the Company be and is hereby accorded for alteration of Regulation 2 of the Articles of Association of the Company by substituting in its place, the following: -

The Authorized Share Capital of the Company shall be as stated in Clause V of the Memorandum of Association of the Company.”

3. Approval of Related Party Transactions

To consider and if thought fit to pass, with or without modification(s), the following resolution as “**SPECIAL RESOLUTION**”:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations) and other applicable provisions, if any of the Listing Regulations, Companies Act, 2013 and Rules made thereunder, including statutory modification(s) or re- enactment thereof for the time being in force and as may be notified from time to time, consent of the members of the company be and is hereby accorded to the Board of Directors of the company to enter into contract(s)/ arrangement(s)/ transaction(s) with parties as detailed in the table forming part of the Explanatory Statement annexed to this notice with respect to Leasing of property of any kind, availing or rendering of any services, availing any financial facilities (intercorporate loans)or appointment of such parties to any office or place of profit in the company or any other transactions of whatever nature, at arm’s length basis and in the ordinary course of business, notwithstanding that such transactions may exceed 10% of the Consolidated Turnover of the Company in any financial year or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions as specified in the table forming part of the Explanatory Statement annexed to this notice;

RESOLVED FURTHER THAT the members hereby ratify the material related party transactions between the Company and M/s Brentwoods International Limited entered into on and after 10.02.2023 at arm’s length basis and in the ordinary course of business, under the existing related party arrangement as detailed in the Explanatory Statement to this Notice;

RESOLVED FURTHER THAT the terms and conditions of the transactions with the Related Parties shall be approved by the Audit Committee.”



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By order of the Board of Directors
For Espire Hospitality Limited

Sumeer Narain Mathur

Company Secretary & Compliance Officer

Membership No: FCS9042

Address: House No: B-803, Dronagiri
Apartment, Sector-11, Vasundhara,
Ghaziabad-201012

Date: 06/09/2023

Place: New Delhi

Notes:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HERSELF/ HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY- EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.

1. Only registered members of the Company holding shares as on the cut-off date decided for the purpose, being 22nd September, 2023, or any proxy appointed by such registered member may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act, 2013.
2. Electronic copy of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company for communication purposes unless any member has requested for a hard copy of the same. The cut-off date is decided for the purpose of reckoning the number of shareholders eligible to receive notice of AGM is 01st September, 2023.

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3. **Voting Rights:** Shareholders holding Equity Shares shall have one vote per share as shown against their holding and shareholders
4. **Voting through Electronic means** In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, read with Pursuant to SEBI circular no. SEBI/HO/CFD/ CMD/ CIR/ P/ 2020/ 242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", the Company is pleased to provide members facility to exercise their right to vote means and the business may be transacted through e- Voting Services provided by National Securities Depository Limited (NSDL).
5. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physical and e-voting, then votes cast through e-voting shall be only be taken into consideration and treated valid whereas votes cast physically at the meeting shall be treated as invalid. The "E-Voting "procedure along with the user id and password of each shareholder is annexed along with the proxy form at the end of the annual report.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Members/Proxies should fill in the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays between 10:00A.M. and 2.00 P.M. up to the date of the Meeting.
11. In line with the MCA Circular dated May 5, 2020 and January 13, 2021 and SEBI Circular dated May 12, 2020 and January 15, 2021 the Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories and the same will also be available on the Company's website www.espirehospitality.com and on the websites of stock exchange www.bseindia.com. For any communication, the members may send requests to the Company's email Id cs@espirehospitality.com
12. The Company's Register of Members and Transfer Books will remain closed from 24th September, 2023 to 02nd October, 2023 (both days inclusive) for the purpose of the Meeting, and the "E-Voting "facility shall be open for the period from 09:00 hours of 27th September, 2023 to 17:00 hours of 29th September, 2023 after this period the event will be no longer available for casting votes by "E-Voting "mechanism.

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13. Members are requested to intimate immediately any change in their address or other mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change mandates for shares in electronic form.
14. Members holding shares in physical form are requested to advise any change of address or bank mandates immediately to the Company / Registrar and Transfer Agent, Skyline Financial Services Pvt Limited.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
16. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agent.
17. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
18. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Transfer Agent, for consolidation into a single folio.
19. Members who have not registered their e-mail addresses so far are requested to register their e- mail address so that they can receive the Annual Report and other communication from the Company electronically.
20. Mr. Loveneet Handa, Practicing Company Secretary (Membership No. F9055), Proprietor - M/s. RSH & Associates has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
21. The Scrutinizer shall immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make , a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
22. As per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results of e-voting are to be communicated to the BSE Limited, where the equity shares of the Company are listed, within 02 working days of the conclusion of the Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.espirehospitality.com and on the website of NSDL.
23. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, 30th September, 2023
24. In respect of the information to be provided under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertaining to the Directors being appointed, Members are requested to kindly refer to the chapter on Corporate Governance in the Annual Report.
25. The route map of the venue of the Meeting is attached at the end of the Notice for the 32nd AGM.

A link to access the same is also mentioned here

<https://maps.mapmyindia.com/direction?places=29.268635,79.543516,Kathgodam;29.3677420000001,79.5425040000001,Country%2520Inn%2520Bhimal>

26. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with their DP in case shares are held in electronic form or with the Company's Registrar & Transfer Agent - SLFSPL in case shares are held in physical form so that they can receive the Annual Report and other communication from the Company electronically.
27. The Members desiring any information as regards to accounts are requested to write to the Company at an early date, so as to enable the Company to keep information ready.
28. As a measure of economy, copies of Annual Report will not be distributed at the Meeting. Members are therefore requested to bring their copy of the Annual Report to the Meeting
29. Members may please note that no gifts will be distributed at the Meeting.
30. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection by the members up to the date of AGM, i.e. 30th September, 2023. Members seeking to inspect such documents can send an email to cs@espirehospitality.com.
31. In terms of Regulation 40(7) and 61(4) read with Schedule VII of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is mandatory for the transferor and the transferee(s) of the physical shares to furnish copy(ies) of their PAN card(s) for registration of transfer of shares. Transferor and the Transferee(s) are requested to furnish copies of their PAN card(s) along with Share Transfer Deed duly completed and physical share certificate(s). For securities market transactions and/or for off-market or private transactions involving transfer of shares, the transferee(s) as well as transferor(s) shall furnish copy of PAN card to the company / Registrar and Transfer Agents, as the case may be, for registration of such transfer of securities. In case where PAN card is not available i.e. in case of residents of Sikkim, the identify proof shall be submitted for registration of such transfer of securities. SEBI vide Notification dated June 08, 2018 have conveyed amendment to Regulations 7 and 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which shall come into force from December 05, 2018. Accordingly, effective December 5, 2018 except in cases of transmission or transposition, transfer of securities of the Company cannot be processed unless the securities are held in dematerialized form with a depository. The implication of this amendment is, post December 05, 2018 equity shares of the Company which are held in physical form by some shareholders can be continued to be held by them in physical form, but cannot be further transferred by the Company or its R&T Agent except in case of transmission & transposition matters.

In view above, we request the shareholders holding shares in physical form to kindly dematerialize equity shareholding in EHL

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on 27th September, 2023 at 09:00 A.M. and ends on 29th September, 2023 at 05: 00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 01st September, 2023

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the " Beneficial Owner " icon under " Login " which is available under ' IDEAS ' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " Access to e-Voting " under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

	<ol style="list-style-type: none"> 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e- Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e- Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e- Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll freeno.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001***

	and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demataccount with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system. How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e- Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on confirmation page.

Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to loveneet@ihacorp.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, at the designated emailid - evoting@nsdl.co.in or orpallavid@nsdl.co.in or SoniS@nsdl.co.in or at telephone nos.:- +91 22 24994545, +9122 24994559, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at the Company's email address cs@espacehospitality.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e- voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhaar Card) by email to cs@espirehospitality.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) to cs@espirehospitality.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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Item No: 02

Mr. Gagan Oberoi, a P.H.D by Qualification, holds a senior management certification from Indian Institute of Management, Calcutta and a graduate in computer engineering with process training from Carnegie Mellon University and KPMG.

With a career spanning over 30 years, Gagan has held several leading positions including Head of Delivery and spearheaded many successful engagements & associations that has helped grow the business multifold. His transformational style of leadership, combined with his innovative thinking and deep understanding of client objectives has time and again translated into value-added solutions across Espire and our customers. He has been the driving force behind Espire's successful appraisal for CMMI level 5 Ver 1.3 (Dev + SVC) and accreditations in various ISO standards for quality and data security.

He is also one of the Board of Directors of Radcliffe Education Private Limited. He has more than 22 years of experience in setting up various ventures and taking them to growth path. During his career he has worked with several international educational service providers to help them in developing systems and solutions for 20 Schools in space of e-learning.

Interest of Directors

None of the directors except Mr. Gagan Oberoi is interested in the resolution

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013
(The Act)

The following Statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice:

Item No: 03 & 4

The present Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crore) comprising of 1,50,00,000 (One Crore Fifty Lacs) Equity Shares of Rs.10/- each and Paid up Share Capital of the Company is Rs. 13,50,04,000 /- (Rupees Thirteen Crores Fifty Lacs Four Thousand) comprising of 1,35,00,400 (One Crore Thirty-Five Lacs Four Thousand) Equity Shares of Rs. 10/- each

As the Board, has raised Rs 20 crores for the renovation of its Hotel Properties (taken on lease) and in the process of raising further funds, there may be any requirements came for the further issue of Equity of the Company by way of preferential issue/right issue/bonus, considering that in the board meeting held on 06th September,2023 had discussed and concluded that considering the present Capital Structure of the company , fund raising by means of preferential issue/right issue/bonus is not feasible and there is a need to explore further options to raise funds.

However for the sake of convenience and smooth processing latter on has approved to increase the authorised capital of the company from Rs. 15,00,00,000 (Rupees Fifteen crore) to Rs. 25,00,00,000 (Rupees Twenty Fifty Crore) divided into 2,50,00,000 (Two Crores Fifty Lacs only) equity shares of Rs.10/- each ranking pari passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company., subject to shareholders approval.

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Pursuant to the provisions of Section 13 & 61 of the Companies Act, 2013, approval of the Members is required for increasing the Authorised Share Capital of the Company and alteration in the Memorandum of Association and Articles of Association of the Company.

Accordingly, the Board recommends the resolutions set out at Item No. 2 & 3 seeking approval of the Members for increasing the Authorised Share Capital of the Company and consequential amendment to the Memorandum of Association and Articles of Association of the Company.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolutions.

Item No: 05

APPROVAL OF RELATED PARTY TRANSACTIONS

As per the approvals of the Board/ Audit Committee & Shareholders in the last Annual General meeting, the company has been undertaking various related party transactions however the Board/ Audit Committee has approved/recommended some other related party transactions w.e.f 10th Feb,2023 with M/s Brentwoods International Limited, for entering into an owners operator license agreement for taking their Kosi Resort to renovate, refurbish and run on revenue share basis in the name and style "Country Inn Kosi"

Further the Board/ Audit Committee also felt that, considering the developing prospects of the company more funds may be required in future to fund the ongoing/upcoming projects of the company,

As per the provisions of Listing Obligations & Disclosure Requirements requires all material related party transactions to be approved by the shareholders through a special resolution and the related parties shall abstain from voting on such resolutions.

The Company envisages that the transaction(s) entered into with these parties, more particularly mentioned in the table depicted below whether individually and/or in aggregate would exceed the stipulated threshold of ten percent of the annual consolidated turnover of the Company as per the last audited and financial statements of the Company during a financial year of the Company. The Company therefore requires approval of the shareholders through a special resolution for entering into contract(s)/arrangement (s)/ transaction(s) as depicted below

All related parties shall abstain from voting on these resolutions.

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S N O	Name of Related Party	Name of Director/KMP Interested	Nature of Relationship	Aggregate maximum value of the contract/ arrangement per transaction in any financial year	Nature and material terms of Contract/ arrangement/ transaction
1	M/s. Brentwoods International Limited	Mr. Amit Rai Mr. Gagan Oberoi	Group Company (Espire Hospitality Group)	Upto Rs 100.00 Crores	The proposed contracts/agreements relates to leasing of Resort by the company on revenue share basis including the proposed renovations/r developments of the resorts by the company

The Audit committee and the Board of the Directors of the Company have considered these proposed arrangements at their respective meetings held on 10th February, 2023 and have approved the proposed arrangements with the Related Parties and have also decided to seek approval of shareholders by way of special resolution pursuant to section 188 of the Companies Act 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (LODR), 2015

None of the other Directors and Key Managerial Personnel or their relatives is in any way concerned or interested in the resolution except as stated above.

The Board of Directors recommends resolution as set out in item No. 05 for approval of the members of the Company by way of passing a Special Resolution.

DIRECTOR'S REPORT

**To,
The Members,
Espire Hospitality Limited**

Your directors are pleased to present the 32nd Annual Report together with the Audited Financial Statements for the year ended 31st March, 2023

I- Financial Highlights

The highlights of the financial results of the Company for the financial year ended March 31,2023 are as under: -

Particulars	(Rs L)	
	Year ended 31 st March,2023	Year ended 31 st March,2022
Revenue from Operations	1883.30	169.16
Other Income	18.19	61.59
Total Revenue	1883.30	230.75
Total Expenses	1835.67	227.48
Profit /loss before Tax Expense	47.63	3.27
Less: Tax Expense (Current & Deferred)	19.40	11.11
Profit /loss for the year	28.24	(7.84)
Total Comprehensive Income for the period	22.23	(7.80)
Shareholders Fund	75.27	53.04

II- Review of Operations & Business

KEY FINANCIAL HIGHLIGHTS

The financial year 2022-23 was a mile stone year in the life cycle of the company. The company got great exposure in the business of Hotels & Resorts. Soon after the 31st Annual General Meeting the company got its name changed from Wellesley Corporation Limited to "**Espire Hospitality Limited**" **showing** its intent to progress in the Hospitality business and by the end of the financial year the become a growing company in the field of Hospitality running 6 hotels across 4 major states of India i.e Uttarakhand, Rajasthan, Goa & Punjab.

The total revenue is recorded at Rs. 1883.30 Lacs as compared to Rs 230.75 Lacs in financial year 2021-22. The Company has incurred a net profit of Rs. 22.23 Lacs as compared to net loss of Rs 7.80 Lacs recorded in the last financial year.

No amount is carried to reserves, further there was no change in the nature of business of the company.

III- Future Outlook

Ever since the company has setup its hands in the Hospitality Industry the management kept on exploring new hotels across India. The company has taken on royalty the brand name of "Country Inn" from M/s Country Inn Private Limited to run its hotels and resorts and has further segregated the same like :-

- Country Inn Hotels
- Country Inn Premier
- Country Inn Express

Based upon the segments of the Hotels. During the year the company has also developed its own brand name "ZANA" wherein the company kept on adding the luxurious premier hotels. One of such luxurious premier hotel was opened namely "Zana Luxury Escapes- Udaipur" in the state of Udaipur near the Udaisagar Lake.

After the closure of the financial year the company has commended the operations of 3 new hotels namely:-

- Country Inn Maple Resorts, Chail
- Country Inn Premier Pacific Resort Mussoorie,
- Country Inn Premier- The Prominence, Dehradun

Before the end of March,2024 the company would be able to open its hotels at Rishikesh, Patkot & Kasauli.

IV- Dividend

The Directors do not recommend any dividend during the year.

V- Public Deposits

Your Company had not accepted any Public Deposits under Chapter V of the Act.

VI- Changes in Directors & KMP

During the financial year 2022-23, there was only one change have been taken place in the board of the company during the year, details thereof are as under:-

Mr. Saurabh Kedia (Independent Director)	Resigned w.e.f 30.07.2022
Mr. Amit Kumar Jain (Additional Director, Non-Executive and Independent)	Appointed w.e.f 30.07.2022

After the closure of the financial year Mr. Sumeer Narain Mathur the CFO, Company Secretary & Compliance Officer has stepped down from the post of CFO and the company has appointed Mr. Rajeev Chatterjee as the new CFO of the company w.e.f 15th August, 2023

VII- Retirement by rotation and subsequent re-appointment

Pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), the Articles of Association of the Company, Mr. Gagan Oberoi, Director of the Company is liable to retire by rotation at the ensuing AGM.

VIII- Management Discussion and Analysis Report

Management Discussion and Analysis Report, as stipulated under Regulation 34(2)(e), of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, read with Schedule-V is presented in a separate section forming part of the Annual Report.

IX- Corporate Governance Report

In terms of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditors of the Company is attached as **Annexure- 1** and forms integral part of this Report (hereinafter "Corporate Governance Report").

X- Auditors

A1- Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended vide the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018 respectively, M/s Bansal & Co, LLP, Chartered Accountants, (ICAI Firm Regn No: 001113N/N500079), the auditors of the Company, hold office for a consecutive period of five years until the conclusion Thirty Fifth (35th) Annual General Meeting of the company to be held for the financial year 2025-26 and their appointment is not required to be ratified each year at Annual General Meeting of the Company.

The Auditors have confirmed to the company that they continue to remain eligible to hold office as the Auditors and not disqualified for being so appointed under the Companies Act, 2013, the Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

A2- Auditors Report

The Report given by the statutory auditors for the financial year 2022-23 on the financial statement of the Company is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

B-Secretarial Auditors

The Secretarial Audit was carried out by M/s. RSH & Associates, Company Secretaries (Peer Review Certificate number:1719/2022) for the financial year 2022-23. The Report given by the Secretarial Auditors is annexed as **Annexure – 3** and forms an integral part of this Report. Explanations to their qualifications are as under: -

- 1) **Trading Window for the quarters ended as on 30.09.2022 was submitted on 03.10.2022 and for the quarter ended as on 31.12.2022 was submitted on 02.01. 2023.**

The same were inadvertently missed due to non-availability of the compliance officer on 30th September,22 (being busy in conducting the 31st AGM of the company) and 1st & 2nd October,22 being non-working days the same was submitted on 3rd October,22 .

Further 31st December & 1st January,23 being non-working days the same was submitted on 2nd Jan,23 .There was no malafied intentions being the late submissions of the closure notices.

- 2) **For Quarter ended 30.06.2022, the Audit committee meeting dated 14.06.2022 not mentioned For Quarter ended 30.09.2022, the Board Meeting dates 20.07.2022, the Audit committee meeting dated 20.07.2022 and the Stakeholder Relationship Committee dated 30.07.2022 was not mentioned,**

The same inadvertently happened due to oversight

- 3) **Announcement under regulation 30 And 33 Of SEBI (LODR) Regulations, 2015 related to appointment of Independent Director was not made-**

The same was made under the head outcome of the boardmeeting.

- 4) **Certificate of Security for the Quarter ended 31.03.2022 pursuant to Regulation 74 of the SEBI (Depository and Participants) Regulations, 1996**

It was inadvertently submitted with delay on 18.04.2022

C-Fraud reported by Auditors under Section 143 (12)

During the year under review, the Auditors has not reported any fraud under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 sub section 3(ca) of the Act.

XI- Particulars of Loan, Guarantee Or Investments Under Section 186.

The company has neither granted nor provided any guarantee or made investment attracting the provisions of section 186 of the Companies Act, 2013.

XII- Material changes and commitments affecting the Financial Position of the Company

There were no material changes and commitments affecting the financial position of the Company, which have occurred after March 31, 2023 till the date of this report.

XIII- Information pursuant to rule 8 of chapter IX of the Companies Act, 2013

A) CONSERVATION OF ENERGY

In absence of any manufacturing activities, no details have been given as required under Section 134 of the Companies Act, 2013 and the rules framed there under.

B) TECHNOLOGY AND FOREIGN EXCHANGE EARNING ETC

In absence of any manufacturing activities, no details have been given as required under Section 134 of the Companies Act, 2013 and the rules framed there under.

C) FOREIGN EXCHANGE EARNING AND OUTGO

There was no foreign exchange earnings and outgo during the year.

XIV- Directors' Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- a. That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period.,
- c. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.,
- d. That the Directors have prepared the annual accounts for the financial year ended March 31, 2023 on a going concern basis., and

- e. That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

XV- Information pursuant to rule 8 of chapter IX of the Companies Act, 2013

Independence Of Independent Directors

In pursuance of section 149 (7) of the Companies Act 2013, all the Independent Directors have given the declaration of their independence complying with the criteria as prescribed in section 149(6) and has been taken on record.

XVI- Policy on Directors, KMP & other employee's appointment

The company has already had a nomination and remuneration committee to take care of the appointment of Directors, KMP & other senior managements employees and determining their qualifications, attributes, independence etc. Operational employees being appointed by the Management Team, based on the criteria specified in conversation with the Nomination & Remuneration Committee.

XVII- Development and Implementation of a Risk Management Policy

The board has laid down a committee of risk management comprising three independent directors to lead the same and to manage the risk involved in the business of the company.

XVIII-Development and implementation of a policy on corporate social responsibility.

The directors are of the view that at present the company doesn't fall in the category of the specified companies abide by the CSR regulations.

XIX- Details of Training Imparted to Independent Directors

There have been no specific training programs conducted by the board of directors for the Independent Directors, however sufficient information about the company's business were provided to them in the board meetings itself. As per the opinion of the Board and Its Nomination & Remuneration Committee, the Independent Directors appointed during the year Mr. Amit Kumar Jain is having sufficient expertise and experience (including the proficiency) as the Independent Director, further his integrity is beyond doubt.

XX- Details of Vigil Mechanism

The company has laid down its vigil mechanism called "Whistle Blower Policy "for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct or ethics policy. This mechanism also has provision for direct access to the chairperson of the Audit Committee Mr. Dileep Kumar in appropriate or exceptional cases.

XXI- Evaluation of The Board, Its Committees and Individual Directors

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Regulation 17(10) of the Listing Regulations and the circular issued by SEBI dated 5th January, 2017 with respect to Guidance Note on Board Evaluation, the evaluation of the annual performance of the Directors/Board/Committees was carried out for the financial year 2022-23. The details of the evaluation process are set out in the Corporate Governance Report which forms a part of this report.

XXII- Information Pursuant to section 197 of The Companies Act, 2013 Read with Rule 4 & 5 of The Companies Appointment & Remuneration of Managerial Personnel Rules 2014

A detailed disclosure of the information as required is attached herewith in the board report as Annexure: 3.

XXIII- Details of subsidiaries, joint venture or associates entered /ceased during the year

The Company has no Joint Venture Agreement, or Associate during the year.

XXIV- Details of Board Meetings

During the year, seven meetings of Board, six meetings of the Audit Committee, four meetings of the Stakeholders Relationship Committee, two meetings of Nomination & Remuneration Committee & one meeting of Risk Management committee were convened and held. One meeting of Independent directors was also held. The details are covered in the Corporate Governance report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

XXV- Particulars of Contracts or Arrangements with related parties referred in Sub Section 188(1) Of The Companies Act, 2013.

The details are mentioned in form AOC-2 and annexed with this board report as **Annexure: 5**.

XXVI- Cost Records

The provision for maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

XXVII- Sexual Harassment

Your Company has adopted a policy for the prevention of sexual harassment of women at work place and has set up a committee for implementation of said policy. During the period the Company has not received any complaint of sexual harassment.

XXVIII- Secretarial Standards

The company has complied with the provisions of applicable Secretarial Standards issued by The Institute of Companies Secretary (ICSI).

XXIX- Green Initiatives

In terms of General Circular No. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, issued by Ministry of Corporate Affairs, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, issued by SEBI ("Circulars"), Electronic copies of the Annual Report 2022-23 and Notice of the 32nd AGM are being sent to all the members whose email addresses are registered with the Company / Depository Participant(s).

For members who have not registered their email addresses or have submitted requests with the Company, soft copies of the Annual Report 2022-23 and Notice of the 32nd AGM shall be sent to them through e-mail.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the 32nd AGM. This is pursuant to section 108 of the Companies Act, 2013, read with applicable Rules and in accordance with the SEBI LODR Regulations. The instructions for e-voting are provided in the AGM Notice. Additionally, Insta-poll facility will also be provided to Members at AGM through physical poll ballots, to enable casting of vote by such members who have not utilized e-voting mechanism.

XXX- Extract of Annual Return

As provided under Section 92(3) and 134(3)(a) of the Act, read with Rule 12 of Chapter VII Rules of the Companies (Management and Administration) Amendment Rules, 2020, Annual Return in Form MGT-7 for FY 2022-23 is uploaded on the website of the Company having following web link www.espirehospitality.com

XXXI- Details of Application/ Proceeding pending under The Insolvency and Bankruptcy Code, 2016

Neither any application has been made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

XXXII- Details of difference in valuation

There is no such instance of difference in valuation as the Company has not done one-time settlement with any Bank or Financial Institution.

XXXIII- Gratitude and Acknowledgement

The Board expresses its deep sense of gratitude to the Government of India and other regulators for the valuable guidance and support the Company has received from them during the year. The Board would also like to express its sincere appreciation co-operation and assistance received from its stakeholders, Members, Bankers and other Business Constituents during the year under review. The Board places on record its appreciation of the dedicated services and contributions made by its staff for the overall performance of the Company.

**For and on behalf of the Board of Directors of
Espire Hospitality Limited**

New Delhi
Date: 06/09/2023

Managing Director: Prithvi Raj Singh
Din: 02876176

Director: Gagan Oberoi
Din: 00087963

MANAGEMENT DISCUSSION & ANALYSIS

EHL is very much endeavour to establish its footprints in the Hotel Industry to provide ultra-luxury and guest friendly stay at its hotels and resorts

Industry structure & developments

Global Economics

Despite geopolitical tensions, the year 2022 commenced with a mixed outlook. While there were concerns of potential flat growth, the global economy faced unforeseen challenges such as supply chain disruptions, monetary tightening, inflation and recessionary fears.

China experienced a temporary decline in growth during the fourth quarter of 2022 due to a surge in COVID-19 cases following the relaxation of restrictions. Additionally, the global inflation rate reached 8.7% in 2022, largely driven by supply chain disruptions caused by the ongoing pandemic and the Russia-Ukraine conflict.

The effects of the Russia-Ukraine conflict also had spill over effects on Europe, with the region grappling with acute energy shortages. This, coupled with the implementation of Brexit, impacted various aspects of Europe, including immigration, trade and tourism. The UK economy experienced a slowing growth rate as a direct consequence of these factors.

The global economic landscape in 2022 was marked by a combination of both optimistic and challenging factors, requiring careful analysis and evaluation.

According to the International Monetary Fund (IMF), the global economy experienced a GDP growth rate of 3.4% in 2022, which was lower compared to the previous year's growth rate of 6.1%. Despite this moderation, there were notable developments in the tourism sector, with international tourist arrivals rebounding to reach 63% of pre-pandemic levels. Particularly, the Middle East and Europe exhibited robust recovery in this aspect, reflecting positive trends in the tourism Industry.

Indian Economics

Indian Hospitality and Tourism Sector

India's hospitality and tourism sector experienced a notable resurgence in 2022, marking its strongest performance since the pandemic began. Known for its rich cultural heritage, India remained a popular destination for global travellers, leading to a thriving tourism and hospitality industry. The demand for accommodations saw a significant increase, driven by domestic leisure travel, weddings, social events, conferences and business trips.

The Indian government's permission for 100% Foreign Direct Investment (FDI) in the hotel and tourism industry attracted substantial investments, reflecting its significance in the economy. From April 2000 to September 2022, the hospitality sector accounted for 2.6% of total investments in India, highlighting its contribution. The sector's growth has been fuelled by rising investor interest and active participation from domestic companies, driving expansion and investment activities.

Furthermore, international recognition and acceptance of Indian hotel chains have enhanced their reputation and visibility, enabling them to meet if not exceed global expectations with elevated service standards. This has further strengthened the sector's performance, positioning Indian hotel chains as dependable choices for discerning travellers worldwide.

Overall, the rejuvenation of India's hospitality and tourism sector demonstrates its resilience and adaptability. With a positive outlook and ongoing investments, the industry is poised for sustained growth and continued success in the future.

Despite encountering initial challenges at the beginning of the year due to the emergence of the third wave of COVID-19, the hospitality sector experienced a significant recovery starting from the second quarter of 2022, demonstrating a consistent upward growth trend.

The Ministry of Tourism has been allocated a budget of US\$ 2.1 billion in the 2023-24 fiscal year, with a substantial portion dedicated to enhancing the tourism industry and infrastructure in India.. Under the Union Budget 2023-24 , an outlay of US\$ 170.85 Million has been allocated for the Swadesh Darshan Scheme , further 68 destinations/sites have been identified in 30 states/UT's for development under the PRASHAD scheme as on 31st March, 2022

FINANCIAL AND OPERATING PERFORMANCE

The fiscal year 2022-23 is the milestone year for the company, as the company pushed up into the Hotel Industry with full force and all resources. After commencing the operations of its first Hotel in the month of November,2021 during the year under report the company has signed various agreements for taking over various hotels on Lease basis, Management right basis, granting of brand name basis etc.

There was month on month progress achieved by the company

APRIL,2022 – In this month the company starts getting revenue from Country Inn Hall of Heritage Amritsar, a Hotel under Management Agreement .

JUNE,22- In this month the company takes on lease the Hotel at Bhimtal as well as the Hotel at Jim Corbett from the Group Companies namely Forest Fern Hospitality Private Limited & Forest Fern Resorts Private Limited and get the same operational w.e.f 1st July,2022

AUG,22- In this month the company opened up its first ZANA brand hotel in Udaipur under the name and style “Zana Luxury Escape- Udaipur” the hotel is situated at the bank of Udaisagar Lake , on revenue share basis

DEC,22 In this month the company opened up its beach resort namely “Country Inn Tarika Verca Beach” at Varca Beach Goa, on revenue share basis.

In between the company opened up its Country Inn Express Sajjangarh at Sajjangarh, and had signed various agreements, Letter of Intents for the hotels at Vrindavan, Kosi, Mussoorie, Chail, Dehradun, Raipur, Patkot, Rishikesh ,

FUTURE PROSPECTS

In its continuous endeavor towards the upliftment of its Shareholder wealth the Company is looking forward for entering into new ventures by taking various hotels on lease/management/ branding basis as of now following hotels are running under the umbrella of **ESPIRE HOSPITALITY:-**

- ❖ Country Inn Bhimtal , Bhimtal, Uttarakhand
- ❖ Country Inn Riverside -Tarika, Jim Corbett, Ramnagar Uttarakhand
- ❖ Zana Luxury Escapes, Udaipur
- ❖ Country Inn Hall of Heritage, Amritsar
- ❖ Country Inn Tarika Goa , Varca Beach
- ❖ Country Inn Resorts, Vrindavan
- ❖ Country Inn Mapel Resorts Chail,
- ❖ Country Inn Premier Pacific Resort, Mussoorie
- ❖ Country Inn Premier- The Prominance Dehradun.

Company’s upcoming Hotels/ Resorts are at Ranthambore, Raipur, Kasauli , Rishikesh

Risk & Concerns

There are various risks associated with Hospitality sector. The major risk is of the ongoing changing customer behavior. Changing in climates is also a matter of concern, floods, landslides plays a major role. Availability of trained staff, since hospitality sector is a personalized sector wherein every guest wants the satisfaction of services as per his/her own way and manner, accordingly the deployment of appropriate human resources is also a matter of concern and risk. Appropriate and timely availability of the raw materials is also a major factor as in all locations all types of vegetables/fruits and other raw materials are not available, which in fact added the procurement cost from other locations.

Segment –wise or product wise performance

The company deals in only one segment namely hotel and resorts, accordingly the requirements of Ind AS-108,are not applicable .

Internal Control Systems & their adequacy

The company has placed adequate and effective system of internal controls, which are wisely commensurate with the nature of business and its scale of operations. Reviews of the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards including any changes in that is a regular course of action of the company's Audit committee. The Statutory Auditors of the Company have also, in their report to members for the financial year ended on 31st March 2023, confirmed the adequacy of internal control system of the Company.

Discussion on financial performance with respect to operational performance

The Financial Statement for the financial year ended on 31st March, 2023 have been prepared in compliance of the provisions of the Companies Act, 2013 and applicable Indian Accounting Standards issued by the Institute of Chartered Accountants of India (Ind AS). The Board of Directors accepts the integrity and objectives of these financial statements.

During the year under report, your company has recorded revenue of Rs 1883.30 Lacs in financial year 2022-23 as compared to Rs 230.75 Lacs in financial year 2021-22. The Company has incurred a net profit of Rs. 28.24 Lacs as compared to net loss of Rs 7.84 Lacs recorded in the last financial year.

Material Development in Human Resources

At **ESPIRE HOSPITALITY**, human resources are considered as the prime assets, they have been treated with utmost care and caution. Since hospitality sector is a purely depends on the guests experience, utmost care is being provided to the staff for delivering their best. Friendly working environment, attractive remunerations, moral boosting activities, accommodation, transportation etc. are some of the measures the HUMAN RESOURCE team use to apply to strengthen the Human Resources in the organization.

For and on behalf of the Board of Directors

New Delhi
Date: 06/09/2023

Managing Director: Prithvi Raj Singh
Din: 02876176

CORPORATE GOVERNANCE REPORT

I- COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The corporate governance policy of **ESPIRE HOSPITALITY** encompasses the simple tenets of Integrity, transparency and fairness in whatever the company does and what it basically aims at achieving is a complete adherence to the applicable statutes while at the same time ensuring a complete commitment to values and the highest ethical standards in every facet of its operations and in each of the functional areas. This, in turn, ensures that best in the class concept of corporate governance practices become a way of life in the Company.

In line with the nature and size of operations of the Company, the Corporate Governance framework in EHL is based on the following main principles:

- ✓ Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities and duties.
- ✓ Transparency and independence in the functions of the Board.
- ✓ Ensuring timely flow of information to the Board and its Committees to enable them discharge their functions effectively.
- ✓ Independent verification and assured integrity of financial reporting. Timely and balanced disclosure of all material information related to the Company to all stakeholders and protection of their rights and interests.
- ✓ A sound system of risk management and internal control.
- ✓ Compliance with applicable laws, rules and regulations in letter and spirit

II- BOARD OF DIRECTORS:

(A) Composition & category of the Board

The Board of Directors in EHL has been constituted in a manner which ensures appropriate mix of executive, non-executive and independent directors to ensure proper governance and management. The Board members have collective experience in diverse fields like construction finance, architecture, human resources & hospitality.

As on March 31, 2023, the Board consist seven directors, 06 of them are non-executive & one executive. Out of Seven directors, one director is promoter director, three Directors are Independent Directors and one Managing Director and two are non-independent director.

The details of various directors on the Board of the Company, the nature of their directorships, the number of directorships held by them in other companies and also the number of committee memberships or chairmanships held by them in other companies (including the company) as on March 31, 2023, is depicted in the table given below:-

Sl. No	Name of the Director	Category of Directorship	No of Directorships in other Listed Companies	Number of Memberships/ Chairmanships in the Board/Committee of Various companies (including the company)	
				Member	Chairman
1.	Prithvi Raj Singh	Executive Director (Managing Director)	1	0	0
2.	Gagan Oberoi	Non-Executive Independent Director	1	5	0
3.	Leela Bisht	Non-Executive Non-Independent, Director	1	0	0
4.	Amit Rai	Non-Executive Non-Independent, Director	1	0	0
5.	Saurabh Kedia*	Non-Executive Independent Director	1	5	0
6.	Pramod Bhatnagar	Non-Executive Independent Director	1	5	0
7.	Dileep Kumar	Non-Executive Independent Director	1	5	5
8.	Amit Kumar Jain**	Non-Executive Independent Director	1	5	0

* Resigned w.e.f 30.07.2022

** Appointed as Director w.e.f 30.07.2022

None of the directors are holding any directorship or committee membership in any listed entity.

(B) Details of Board Meetings and the last Annual General Meeting and attendance record of Directors thereat

During the FY 2021-22 the Board of EHL met 07 (Seven) times. The dates of the Board meetings were 30th May,22

- ✓ 14th June,22
- ✓ 20th July,22
- ✓ 30th July,22
- ✓ 02nd Sept,22
- ✓ 14th Nov, 22
- ✓ 10th Feb,23

and one meeting of Independent directors was held on 31st March,2023.

The last Annual General Meeting (AGM) of the Company was held on 30th September, 22. A table depicting the attendance of Directors at various Board Meetings and the AGM held during financial year 2022-23

S.No	Name of the Director	No of Board Meeting Attended	Attendance at the last AGM
1.	Mr. Amit Rai	4	No
2.	Mr. Gagan Oberoi	7	No
3.	Mr. Prithvi Raj Singh	7	No
4.	Ms. Leela Bisht	2	No
5.	Mr. Saurabh Kedia*	3	No
6.	Mr. Pramod Bhatnagar	7	No
7.	Mr. Dileep Kumar	7	Yes
8.	Mr. Amit Kumar Jain **	3	No

* Resigned w.e.f 30.07.2022

**Appointed w.e.f 30.07.2022

(C) Disclosure of relationship between director's inter-se:-

The board consists of one director is promoter director, two Directors are Independent Directors, one Managing Director and five are non-independent director, except between Mr. Amit Rai and Mrs. Leela Bisht (Mother in law) there is no inter-se relation exists between any other directors

(D) Number of shares and convertible instruments held by non-executive directors: -

The shares held by Late Mrs. Sadhana Rai (1,00,00,000 Shares)74.07% (Promoter and Non-Executive Director till 15.10.2020) of the share capital of the company are yet to be transmitted in the name of her legal heirs. A petition in this regard has been filed by Mr. Amit Rai along with No objection certificates from the other Legal heirs, however the final order thereon is yet to be received, the next date of hearing is fixed for 04.10.2023.

One of the legal heir is Mr. Amit Rai, Non-Executive Director, none of the other legal heirs are having any directorship in the company.

(E) Website link where the details of familiarization programs imparted to independent directors is disclosed

There has been no specific training programs conducted by the board of directors for the Independent Directors, however sufficient information about the company's business, changes in regulatory framework, updates by SEBI/BSE/MCA and other regulatory authorities were provided to them in the board meetings itself time to time.

(F) Considering the business and sector of the company, the Board of director of the company are having sufficient skills, good expertise and are competent enough to manage the functions of the company effectively.

(G) In the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

III- COMMITTEES OF THE BOARD

The Board constituted committees namely, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee & Committee of Directors to act in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairman. Matters requiring Board's attention/approval are placed before the Board. The role, the composition of these Committees including the number of meetings held during the financial year 2022-23 and the related attendance detail are provided hereunder.

(i) Audit Committee

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management.

During the financial year 2022-23, the Audit Committee met 06 (Six) times. The dates of the Committee meetings are :-

- 30th May,2022
- 14th June,2022
- 20th July,2022
- 30th July,2022
- 14th Nov,2022
- 10th Feb,2023

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended March 31st 2023 is detailed below:

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Saurabh Kedia*	Chairman	4	4
Mr. Gagan Oberoi	Member	0	0
Mr. Pramod Bhatnagar	Member	6	6
Mr. Dileep Kumar	Chairman	6	6
Mr. Amit Kumar Jain**	Member	2	2

Notes:-

* Resigned w.e.f 30.07.2022

** Appointed w.e.f 30.07.2022

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Audit Committee throughout the year.

The terms of reference of the Audit Committee, inter-alia, include:

- I. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- II. Recommendation for appointment, remuneration
- III. and terms of appointment of auditors of the company;
- IV. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- V. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval with particular reference to:-
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
- VI. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- VII. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- VIII. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- IX. Approval or any subsequent modification of transactions of the company with related parties; Scrutiny of inter-corporate loans and investments;
- X. Scrutiny of inter-corporate loans and investments;
- XI. Valuation of undertakings or assets of the company, wherever it is necessary;
- XII. Evaluation of internal financial controls and risk management systems;
- XIII. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems; Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- XIV. Discussion with internal auditors of any significant findings and follow up there on;
- XV. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- XVI. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- XVII. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- XVIII. To review the functioning of the Whistle Blower mechanism;
- XIX. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;

(ii) Nomination & Remuneration Committee

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

During the financial year, the committee was met 02 (two) times on :-

- 30th July, 2022
- 02nd September, 2022

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2022-23 is detailed below:

Name of Member	Designation	No of Meetingheld	No of Meeting Attended
Mr. Saurabh Kedia*	Chairman	2	2
Mr. Gagan Oberoi	Member	0	0
Mr. Pramod Bhatnagar	Member	4	4
Mr. Dileep Kumar	Chairman	4	4
Mr. Amit Kumar Jain**	Member	2	2

Notes:-

* Resigned w.e.f 30.07.2022

** Appointed w.e.f 30.07.2022

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Audit Committee throughout the year .

I- Terms of reference

The terms of reference of Nomination & Remuneration Committee, inter-alia, include:

- a. Formulation of the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Directors and the Board.
- c. Devising a policy on Board diversity.
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, and recommend to the Board their appointment and removal.
- e. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

II- Policy for appointment and removal of Director, KMP and Senior Management

Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board for his/her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

Term / Tenure

Managing Director/Whole-time Director:-

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of five years each, but such Independent Director shall be eligible for Appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

1. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

2. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board has the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

II- Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Nomination & Remuneration Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the

Nomination & Remuneration Committee and approved by the shareholders and Central Government, wherever required.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration:

If any Managing Director /Whole Time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he /she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

III- Remuneration to Non- Executive / Independent Director:

a) **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

b) **Stock Option:** Independent Director shall not be entitled to any stock option of the Company.

IV- Details of Directors' Remuneration

(i) Remuneration of Executive Director

The table given below specifies the details of remuneration package of Executive directors and their relationship with other Directors on the Board:

(Rupees per Annum)

Name of the Director	Relationship with other directors	Salary & Allowances	Monitory Value of Perquisites	Total
Mr. Prithvi Raj Singh	None	Nil	Nil	Nil

Notes:

- As per the terms of appointment of Mr. Prithvi Raj Singh no remuneration is payable to him

(ii) Remuneration of Non-Executive Independent Directors

No sitting fees was paid to non-executive directors of the company.

(iii) Board Level Performance Evaluation

Listing Regulations mandate the Board of listed companies to monitor and review the Board Evaluation framework. The Companies Act, 2013 read with the Rules issued thereunder further provides that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual Directors. The Schedule IV of the Companies Act, 2013 read with the Rules issued thereunder states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. After taking into consideration the Guidance Note on Performance Evaluation of Board dated 5th January, 2017 published by SEBI, controlled evaluations forms were finalized to evaluate the performance of the Board, Committees of the Board and individual performance of each Director including the Chairman. The process for performance evaluation is as under: -

- Committee of Independent Directors evaluates the performance of Non Independent Directors and the Board as a whole and submits its report to the Nomination & Remuneration Committee.
- The Board evaluates the performance of Independent Directors and submits its report to the Nomination & Remuneration Committee.
- Nomination & Remuneration committee reviews the report of the Committee of Independent Directors and Board and accordingly recommends the appointment/re-appointment /continuation of Directors to the Board.

The criteria for performance evaluation are as under: -

The Directors are evaluated based on various aspects which, amongst other parameters, included qualifications, experience, knowledge and competency, ability to function as a team, fulfillment of functions, the level of participation of the Directors, etc.

The parameters for performance evaluation of Board includes structure of the Board, competency of directors, experience of directors, mix of qualifications, diversity and the process of appointment to the Board of directors, role & responsibilities, strategy & performance evaluation, governance and compliances, evaluation of risks corporate culture ,grievances redressal for investors etc.

Some of the performance indicators for the Committees include regularity of meeting, logistics, agenda items, discussion & dissent, recording of minutes & dissemination of Information.

The Committee ensures that the Key Performance Objectives are aligned with the immediate and long term goals of the Company.

The performance of the Independent Directors was also evaluated taking into account their independent views and judgements in addition to the points on which non-independent directors are evaluated.

(iv) Stakeholders Relationship Committee

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 20 of the Listing Regulations

During the financial year 2022-23 the Stakeholder Relationship Committee of Directors met three times. The dates of the meetings being:-

30th May,22

30th Jul,22

14th Nov,22

10th Feb,23

The constitution of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2021-22 is detailed below:

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Saurabh Kedia*	Chairman	2	2
Mr. Gagan Oberoi	Member	0	0
Mr. Pramod Bhatnagar	Member	4	4
Mr. Dileep Kumar	Chairman	4	4
Mr. Amit Kumar Jain**	Member	2	2

Notes:-

* Resigned w.e.f 30.07.2022

** Appointed w.e.f 30.07.2022

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Stake Holders Relationship Committee throughout the year

Name and designation of Compliance Officer & Chief Financial Officer

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, is the Compliance Officer pursuant to regulation 6(1) of the SEBI (LODR) Regulations,2015 .

During the year under report there was no shareholder complaint was received and resolved.

(v) Committee of Directors

The constitution of the Committee of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2022-23 is detailed below, however no meeting was held of the committee:

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Saurabh Kedia*	Chairman	0	0
Mr. Gagan Oberoi	Member	0	0
Mr. Pramod Bhatnagar	Member	0	0
Mr. Dileep Kumar	Chairman	0	0
Mr. Amit Kumar Jain**	Member	0	0

Notes:-

* Resigned w.e.f 30.07.2022

** Appointed w.e.f 30.07.2022

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Committee

Terms of Reference

The main term of reference is to approve the share transfers/split/renewal of old certificates, however the same has been delegated to the compliance officer of the company for effective implementation of transfer/split/demat/remat process and compliance of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 .

(vi) Risk Management Committee

The Board of Directors has constituted a Risk Management Committee and defined its roles and responsibilities in accordance with the provisions of Regulation 21 of the Listing Regulations.

The composition of the Risk Management Committee of the Board of Directors of the Company is mentioned below, however there was no meeting held of the same

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Saurabh Kedia*	Chairman	0	0
Mr. Gagan Oberoi	Member	0	0
Mr. Pramod Bhatnagar	Member	1	1
Mr. Dileep Kumar	Chairman	1	1
Mr. Amit Kumar Jain**	Member	1	1

Notes:-

* Resigned w.e.f 30.07.2022

** Appointed w.e.f 30.07.2022

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Risk Management Committee throughout the year

Terms of Reference

1. Oversee and approve the risk management, internal compliance *and* control policies and procedures of the Company (including reporting and internal audit systems), in concurrence with existing business processes and systems, to manage the Company's material business risks.
2. Establish policies for the monitoring and evaluation of risk management systems to assess the effectiveness of those systems in minimizing risks that may impact adversely on the business objectives of the Company.
3. Be aware and concur with the Company's Risk Appetite including risk levels, if any, set for financial and operational risks.
4. Ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
5. Review the existing risk Management System of the Company in view of the Company's RiskAppetite.
6. Coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities. For example, internal or external audit issue relating to risk management policy or practice.
7. Provide guidance to the Board on making the Company's risk management policies and procedures publicly available and, if appropriate, liaise with the Company Secretary on announcements to the market where material business risks or changes to those risks are likely to have a material impact on the price or value of the Company's securities.
8. Perform such other activities related to this Memorandum as requested by the Board of Directors.

(vii) Independent Directors

During the year under report the Independent Directors met once on 31.03.2023.

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial officer, acts as the Secretary for the meeting of Independent Directors throughout the year .

Terms of Reference

In compliance to regulation 25 (4) of the listing regulations the terms of reference of the Independent Directors are:-

- a) Review the performance of non-independent directors and the board as a whole.
- b) Review the performance of the chairperson of the company, taking into account the views of executive directors and non-executive directors.
- c) Assess the quality, quantity and timeliness of flow of information between the company management & the board.

Based on the evaluation criteria laid down by the Nomination & Remuneration Committee for the non- executive directors, the Managing Directors & the Board as a whole has been evaluated and a report thereon has been submitted to the Nomination & Remuneration Committee for their reference and further recommended for reappointments if any.

III- GENERAL BODY MEETINGS

A. Location and time, where last three Annual General Meetings were held:-

Financial Year (ended)	Venue	Date	Time
March,31,2020	Country Inn Hotel & Resorts, Mehragoan Bhimtal-248179,Uttarakhand.	15.09.2020	10:00 A.M
March,31,2021	Country Inn Hotel & Resorts, Mehragoan Bhimtal-248179,Uttarakhand.	10.12.2021	10:00 A.M
March,31,2022	Country Inn Hotel & Resorts, Mehragoan Bhimtal-248179, Uttarakhand.	30.09.2022	10:00 A.M

B. Details of Special Resolution passed in previous three AGMs

SI No	AGM Number	Date of AGM	Matter covered by Special Resolutions
1	30th AGM	10th December, 2021	Special Resolution to appoint M/s Bansal & Co, LLP (FRN :01113N/N500079) as the statutory auditors of the company to fill the casual vacancy caused by the resignation of M/s M.K Jain & Co, Chartered Accountants
			Special Resolution to approve with or without modification the borrowing limits of the company over and above the share capital and free reserves of the company
			Special Resolution to approve with or without modification the loans and investments limits of the company over and above the share capital and free reserves of the company
			Special Resolution to approve the loans to entities in which directors are interested
			Special Resolution to approve the related party transactions
2	31st AGM	30 th September, 2022	Special Resolution to approve with or without modification the borrowing limits of the company over and above the share capital and free reserves of the company
			Special Resolution to approve with or without modification the loans and investments limits of the company over and above the share capital and free reserves of the company
			Special Resolution to approve the related party transactions

C. Postal Ballot

(i) Special resolutions passed through Postal Ballot during the F.Y 2022-23

During the financial year 2022-23, no resolution was passed through the mode of Postal Ballot

(ii) Procedure for Postal Ballot

For conducting a postal ballot, notice specifying the resolutions proposed to be passed through postal ballot as also the relevant explanatory statement and the postal ballot forms, are dispatched to all the shareholders along with self-addressed postage pre-paid envelope.

The shareholders are requested to send back the postal ballot forms duly filled up and signed, in the postage pre-paid envelopes provided to them by the Company, so as to reach the Scrutinizer (in whose name the envelopes are marked) on or before the 30th day from the date of issue of notice by the company. The Scrutinizer compiles the postal ballot result out of the postal ballot forms found valid and hands over the results to the Company Secretary. The Chairman thereupon declares the result of the postal ballot and the same is displayed on a notice board at the corporate office of the Company.

D. MEANS OF COMMUNICATION

(i) Quarterly Results:

The quarterly/annual financial results of the Company are intimated to the Bombay Stock Exchange wherein the company is listed, within the prescribed time period my means of uploading the same on the listing portal i.e www.listing.bseindia.com a CFDS prescribed by the Bombay Stock Exchange.

(ii) News, Release etc.:

The quarterly /annual results are usually published in the leading newspapers viz; Financial Express and regional newspaper, Rozana/ Shah Times of the place of the registered office of the company.

(iii) Website:

The Company has its own website www.espirehospitality.com, and all vital information relating to the Company and its performance including financial results are regularly posted on the website. However the company has changed/updated its website after the change of its name ,the current website of the company is www.espirehospitality.com

IV. GENERAL SHAREHOLDER INFORMATION

(a) Date, Time and Venue of AGM

DATE:30th September,2023
TIME:10:30 AM
VENUE: Country Inn Hotels & Resorts, Mehragaon,Bhimtal,Uttarakhand-248179

(b) Date of book closure: From 24th September, 2023 to 02nd October, 2023

(c) Dividend Payment date

No dividend is declared during the financial year.

(d) Listing on stock Exchanges

Stock Exchange	Stock Code	ISIN
Bombay Stock Exchange (BSE)	532106	INE176O01011

Listing fees to Bombay Stock Exchange has been paid for the financial year 2023-24.

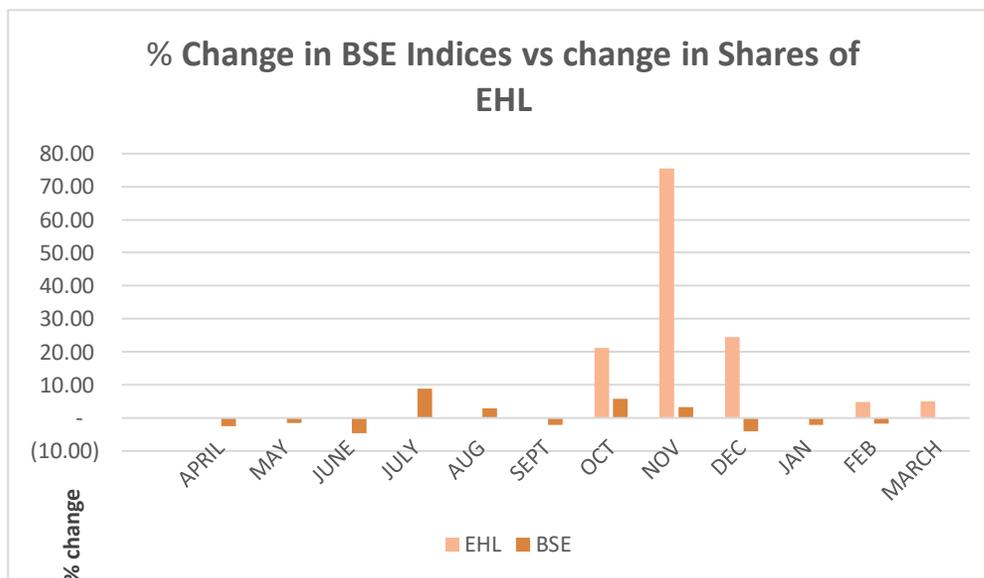
(e) Stock Code/ ISIN:

BSE:532016/ ISIN: INE176O01011

(f) Stock market price at Bombay Stock Exchange (BSE)

Month	High(Rupees)	Low (Rupees)	Volume
APRIL	7.71	7.71	NIL
MAY	7.71	7.71	NIL
JUNE	7.71	7.71	NIL
JULY	7.71	7.71	NIL
AUG	7.71	7.71	NIL
SEPT	7.71	7.71	NIL
OCT	9.35	7.71	202
NOV	15.17	9.35	2630
DEC	17.45	15.17	30
JAN	17.45	17.45	0
FEB	17.45	16.60	530
MARCH	16.60	15.77	10

Performance Comparison to broad bases indices BSE sensex.



(g) Registrar & Transfer Agent

M/s. Skyline Financial Services Private
Limited(Unit- Espire Hospitality Limited)
D-153A, 1st Floor Okhla Industrial
Area,Phase-I, New Delhi – 110 020
Tel: - +91 – 11 – 2681-2682, 2681-2683
Fax: - +91 – 11 – 3085 7562
Email: admin@skylinerta.com

(h) Share Transfer System

All queries pertaining to share transfer / transmission, change of address, bank mandate, nomination forms, loss of shares, issue of duplicate shares, Annual Report may be forwarded directly to the Registrar and Share Transfer Agent at the above-mentioned address.

(i) Distribution of shareholding as on March 31,2023

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
Up To 5,000	1803	90.79	234610	1.74
5001 To 10,000	127	6.39	116480.00	0.86
10001 To 20,000	15	0.76	242500.00	0.18
20001 To 30,000	10	0.50	23510.00	0.17
30001 To 40,000	3	0.15	106000.00	0.08
40001 To 50,000	0	0.00	0.00	0.00
50001 To 1,00,000	5	0.25	38398.00	0.28
1,00,000 and Above	23	1.16	13052552.00	96.68
Total	1983	100.00	135004000.00	100.00

(j) Dematerialization of Shares & Liquidity

Equity shares of the company are available in both physical as well in demat mode at both the depositories i.e. NSDL & CDSL (ISIN No INE176O01011). As on March 31, 2023, 87.50% Equity shares of the Company representing **1,18,12,600** shares out of a total of **1,35,00,400** Equity shares, were held in dematerialized form and the balance **16,87.800** shares were held in physical form. Depository fees have been paid to NSDL & CDSL for the financial year 2023-24

(k) Outstanding GDR's /ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.

There were no GDR/ADR/Warrants/Convertible instruments were issued and pending for conversion.

(l) Address for Investor's correspondence:

a.	Mr. Sumeer Narain Mathur Compliance Officer
a.	Address A 41, Mohan Co-Operative Industrial Estate, Mathura Road New Delhi 110044
b.	Phone No. 91-11-71546500
c.	Email id cs@espirehospitality.com investor@espirehospitality.com

(m) Details of directors seeking appointment or reappointment: -

Mr. Gagan Oberoi, Non-Executive Non-Independent Director of the Company, being longest in the office, retires by rotation at the forthcoming AGM and being eligible, has offered himself for re-appointment.

Brief resume of Mr. Gagan Oberoi is given below:

Mr. Gagan Oberoi, a P.H.D by Qualification, holds a senior management certification from Indian Institute of Management, Calcutta and a graduate in computer engineering with process training from Carnegie Mellon University and KPMG.

With a career spanning over 30 years, Gagan has held several leading positions including Head of Delivery and spearheaded many successful engagements & associations that has helped grow the business multifold. His transformational style of leadership, combined with his innovative thinking and deep understanding of client objectives has time and again translated into value-added solutions across Espire and our customers. He has been the driving force behind Espire's successful appraisal for CMMI level 5 Ver 1.3 (Dev + SVC) and accreditations in various ISO standards for quality and data security.

He is also one of the Board of Directors of Radcliffe Education Private Limited. He has more than 22 years of experience in setting up various ventures and taking them to growth path. During his career he has worked with several international Educational service providers to help them in developing systems and solutions for 20 Schools in space of e-learning.

V- DISCLOSURE

Materially Significant Related Party Transaction

There were following material significant related party transaction being taken place during the F.Y 2022-23 for which necessary approvals were taken in Board/ Audit Committee/AGM's :-

- 1) Forest Fern Hospitality Private Limited – Taking on lease the “ Bhimtal ” resort on lease basis on as is whereas basis along with its staff to run the hotel under the name and style “ COUNTRY INN NATURE RESORTS BHIMTAL w.e.f. 1.7.2022(including its renovation if any as and when required necessary for the smooth operations)
- 2) Forest Fern Resorts Private Limited – Taking on lease the “ Jim Corbett ” resort on lease basis on as is whereas basis along with its staff to run the hotel under the name and style “ COUNTRY INN CORBETT” w.e.f. 1.7.2022.
The hotel went into renovation w.e.f 1.10.22 while will take approx. one year and after renovation the same will be operational as “ZANA JIM CORBETT”
- 3) Sarp Hotels Private Limited– Taking on lease part of land situated at Kincaig Mussoorie to re-develop and run the hotel under the name and style “Country Inn Mussorie ”

VI- Significant and Material Orders passed by the Regulators or Courts

There being no material orders passed by any of the regulators or courts .

VII- Details of Non-Compliance by the Company, penalties imposed by Stock Exchange/ SEBI/ Any Statutory Authority in any matter related to Capital Market during the last three years.

a) F.Y 2020-21

The company has defaulted in various compliances of SEBI (LODR) and related provisions during the financial year 2020-21. Various fines (details as mentioned below) have been levied by the BSE on the company for which application for waiver of fines was filed by the company. On the representation of the company before the "BSE Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)" has waived off/reduced the fines and the final fines have been paid by the company before the approval of this board report .

Quarter/ Year end	Regulation of SEBI(LODR) Regulations, 2015	Basic fine levied(in Rs.)	Fine Waived(inRs.)	Fine Paid (inRs.)
Mar-20	34 – Annual Report	4,000/-	4,000/-	N.A
Sep-20	13(3) – Investor Complaints	63000/-	63000/-	N.A
Sep-20	27(2) – Corporate Governance	1,38,000/-	1,38,000/-	N.A
Sep-20	31 – Shareholding Pattern	1,26,000/-	1,26,000/-	N.A
Sep-20	33 – Financial Results	1,75,000/-	1,75,000/-	N.A
Jun-20	27(2) –Corporate Governance	3,22,000/-	1,54,000/-	1,68,000/-
Jun-20	31 – Shareholding Pattern	3,10,000/-	1,42,000/-	1,68,000/-
Jun-20	33 – Financial Results	4,90,000/-	75,000/-	4,15,000/-

Note: The above figures are without GST, however all the penalties were paid with GST.

(I) The Company has paid listing fees to BSE Limited for the financial year 2023-24

(II) The company has formulated a "EHL Whistle Blower Policy" headed by the Chairman of the Audit Committee Mr. Dileep Kumar, wherein everyone is at the liberty to raise their concern to the chairman.

(III) The company is following all the mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 and with regards to discretionary requirements as mentioned in Part: E of schedule-II, it is in the process to comply in near future.

(IV) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: During the year under report the company has not received any complaint or any other matter wherein the provisions of this Act needs to be invoked.



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ANNUAL DECLARATION BY THE CEO PURSUANT TO SCHEDULE V (D) OF SEBI (LODR) REGULATIONS,2015

As provided under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation,2015 it is stated that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management, for the financial year ended March 31,2023

**For and on behalf of the Board of Directors
Espire Hospitality Limited**

Prithvi Raj Singh
Managing Director
DIN: 02876176

Place: New Delhi
Date: 06/09/2023

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To,
THE MEMBERS OF ESPIRE HOSPITALITY LIMITED**

1. We have examined the compliance of regulations of Corporate Governance by Espire Hospitality Limited ('the Company') for the year ended March 31,2023 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E OF Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(the 'Listing Regulations').

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

3. Pursuant to the requirement of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of and opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable General Accepted Auditing Standards in India, the Guidance Note on Reports or Certificate for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

Opinion

5. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended March 31,2023. We state that such compliance is an assurance neither as to the future viability of the Company nor the efficient or effectiveness with which the Management has conducted the affairs of the Company

Restrictions on use

6. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**For Bansal & Co, LLP
Chartered
Accountants**

Date: 06/09/2023
Place: New Delhi

Siddharth Bansal
Partner
M No:518004
Fr no:001113N/N500079

Annexure:2

CEO/CFO certification pursuant to regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Espire Hospitality Limited

As required by Regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm to the Board that:

I, Prithvi Raj Singh, Managing Director of Espire Hospitality Limited, certify to the Board that:

- a) I have reviewed financial statements and the cash flow statement for the year ended 31.03.2023 and that to the best of their knowledge and belief :
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
 - ii. These statements together present a true and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or volatile of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that –
 - i. There has not been any significant changes in internal control over financial reporting during the year under reference;
 - ii. There has not been any significant changes in accounting policies during the year under requiring disclosure in the notes to the financial statements; and

- iii. There has not been any instances during the year of significant fraud of which we had become aware and the Involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors
Espire Hospitality Limited

New Delhi

Date: 06/09/2023

Prithvi Raj Singh

Managing Director

DIN: 02876176



**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,
The Members,
Espire Hospitality Limited
(Earlier known as Wellesley Corporation Limited)
Shop No. 01 Country Inn, Mehragaon Bhimtal,
Nainital, Uttrakhand-248179**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Espire Hospitality Limited (Earlier known as Wellesley Corporation Limited)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of Espire Hospitality Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Espire Hospitality Limited ("The Company") for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; ***The company has complied with the relevant provisions of the act to the extent as Applicable during the audit period***
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; ***The company has complied with the relevant provisions of the act to the extent as Applicable during the audit period***
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; ***(Not applicable to the Company during the audit period).***
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***The company has complied with the relevant provisions of the act to the extent as Applicable***
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ***The company has complied with the relevant provisions of the act to the extent as Applicable except that Trading Window for the quarters ended as on 30.09.2022 was submitted on 03.10.2022 and for the quarter ended as on 30.12.2022 was submitted on 02.01.2023.***
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; ***(Not applicable to the Company during the audit period)***
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***(Not applicable to the Company during the audit period)***
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***(Not applicable to the Company during the audit period)***
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***The company has complied with the relevant provisions of the act as Applicable***
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***(Not applicable to the Company during the audit period)***
- (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; ***(Not applicable to the Company during the audit period)*** and
- (i) The Company has mechanism to ensure compliance of the following Laws to the extent applicable:
1. The Payment of Wages Act, 1936
 2. The Minimum Wages Act, 1948
 3. Employees Provident Fund and Misc. Provisions Act, 1952
 4. Employees State Insurance Act, 1948
 5. The Payment of Bonus Act, 1965
 6. The Environment (Protection) Act, 1986
 7. Income Tax Act 1961, & rules made thereunder
 8. Negotiable Instrument, 1881
 9. Maternity Benefits Act, 1961
 10. Payment of Gratuity Act, 1972
 11. The Apprentices Act, 1961
 12. The Industrial Disputes Act, 1947
 13. The Child Labour (Regulation and Abolition) Act, 1970
 14. Water (Prevention & Control of Pollution), 1974 and rules there under
 15. Air (Prevention & Control of Pollution) Act, 1981 and rules there under
 16. The Indian Stamp Act, 1889
 17. Indian Contract Act, 1872
 18. Transfer of Property Act, 1882

19. Indian Registration Act, 1808
20. Indian Evidence Act, 1872
21. The Consumer Protection Act, 1986
22. Building & Construction Workers Welfare Cess Act, 1996
23. Goods & Services Tax Act 2017
24. The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

A. UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (“HEREINAFTER REFERRED TO AS SEBI (LODR) REGULATIONS, 2015”) AS AMENDED FROM TIME TO TIME

1. The Company is required to file Form MGT-14 for approval of Financial Statement as per Section 179 of Companies Act, 2013, but the Company has not filed form MGT-14 for approval of Financial Statement as on 31.03.2022. Board Meeting for the same was held on 30.05.2022.
2. In the Corporate Governance Report for: -
 - For Quarter ended 30.06.2022, the Audit committee meeting dated 14.06.2022 not mentioned
 - For Quarter ended 30.09.2022, the Board Meeting dates 20.07.2022, the Audit committee meeting dated 20.07.2022 and the Stakeholder Relationship Committee dated 30.07.2022 was not mentioned.
3. Trading Window for the quarter 30.09.2022 was delay submitted on 03.10.2022 and for 30.12.2022 on 02.01.2023 under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
4. Announcement under regulation 30 And 33 Of SEBI (LODR) Regulations, 2015 related to appointment of Independent Director was not made.
5. Certificate of Security for the Quarter ended 31.03.2022 pursuant to Regulation 74 of the SEBI (Depository and Participants) Regulations, 1996 was delay submitted on 18.04.2022.

We further report that

a) Composition of Board & Various Committees

1. Composition of Board of Directors and Key Managerial Personnel

As per Section 149 of the Companies Act, 2013 and rules made thereunder and Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board of Directors shall have an optimum combination of executive and non-executive directors with one-woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors;

Further pursuant to the provisions of Section 203 of Companies Act 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Listed Company shall have prescribed Key Managerial Personnel in the Board. The composition of Directors and Key Managerial Personnel of the company and changes during the year under audit is annexed herewith and marked as **Annexure-1.**

2. Composition of Audit Committee:

As per Section 177 of the Companies Act, 2013 read with Rule 6 of Companies (Meeting of Board & Its Power) Rules, 2014 and rule 4 of Companies (Appointment & Qualification of Directors) Rules, 2014, the company being a listed entity have constituted its Audit Committee with proper balance of 3 Non-Executive Independent Directors. The Constitution of the committee is annexed herewith and marked as **Annexure-2**

3. Composition of Nomination & Remuneration Committee:

As per Section 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meeting of Board & Its Power) Rules, 2014 and rule 4 of Companies (Appointment & Qualification of Directors) Rules, 2014, the company being a listed entity have constituted its Nomination & Remuneration Committee with proper balance of 3 Non-Executive Independent Directors. The Constitution of the committee is annexed herewith and marked as **Annexure-3**

4. Composition of Stakeholder Relationship Committee:

As per Section 178 of the Companies Act, 2013, the company is not having more than 1000 security holders, however it has constituted Stakeholder Relationship Committee voluntarily with 3 Non-Executive Independent Directors. The Constitution of the committee is annexed herewith and marked as **Annexure-4**

5. Composition of Risk Management Committee:

As per Regulation 21 of SEBI (LODR) Regulations, 2015, the listed entity shall constitute a Risk Management Committee with 3 non-executive independent directors. The Constitution of the committee is annexed herewith and marked as **Annexure-5**

- b)** Adequate notice is given to all directors'/committee members to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further the company has conducted meetings on shorter notice for which the intimation has been sent to all the directors'/committee members in sufficient and reasonable time possible, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c)** Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- d)** The company has appointed **M/s Bansal & Co, LLP**, Chartered Accountants ((ICAI Firm Regn No: 001113N/N500079)), as the Statutory Auditor of the Company per the provisions of **Section 139** of the Companies Act, 2013 and rules made thereunder in the Annual General Meeting to hold office up to the Annual General Meeting to be held for the financial year 2025-26



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I/we further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I/we further report that during the audit period the company has not come up with any of the following:

- (i) Public/Right/Preferential issue of shares / debentures/sweat Equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act,2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

**FOR M/s RSH & ASSOCIATES
COMPANY SECRETARIES
PEER REVIEWED CERTIFICATE NO. 1719/2022**

**(LOVENEET HANDA)
COMPANY SECRETARY
PARTNER
C.P. NO.: 10753
M. NO.: 9055**

**DATE: 05.08.2023
PLACE: DELHI
UDIN: F009055E000747254**

BOARD CONSTITUTION
as at end of the Financial Year 31st March, 2023

S. No	Name of Director/KMP	Designation	DIN/PAN	Category	Date of Appointment
1	Mr. Gagan Oberoi	Director	00087963	Non-Executive - Non Independent Director	22/01/2021
2	Mr. Amit Rai	Director	00088067	Non-Executive - Non Independent Director	22/01/2021
3	*Mr. Amit Kumar Jain	Director	00334133	Non-Executive - Independent Director	30/07/2022
4	Mr. Pramod Bhatnagar	Director	02269852	Non-Executive - Independent Director	11/08/2021
5	Mr. Prithvi Raj Singh	Managing Director	02876176	Executive Director	22/01/2021
6	Ms. Leela Bisht	Director	07172417	Non-Executive - Non Independent Director	22/01/2021
7	Mr. Dileep Kumar	Director	08242564	Non-Executive - Independent Director	11/08/2021
8	Mr. Sumeer Narain Mathur	Company Secretary	ALFPM7227D	-	27/09/2021
9	Mr. Sumeer Narain Mathur	CFO(KMP)	ALFPM7227D	-	27/09/2021

****Mr. Amit Kumar Jain was appointed as independent Director w.e.f. 30/07/2022 as can be seen from the minutes of the meeting board/ Nomination & Remuneration Committee dated 30.07.2022.***

Mr. Saurabh Kedia has resigned from the post of independent Director w.e.f. 30/07/2022 as can be seen from the minutes of the meeting board/ Nomination & Remuneration Committee dated 30.07.2022.

Compliance in Respect of Retirement by rotation and subsequent re-appointment

*Pursuant to Section 152(6) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, not less than two-thirds of the total number of directors of a company shall be liable to be determined by retirement of directors by rotation and at every general meeting, one-third of such of the directors for the time being as are liable to retire by rotation. In the calculation of Directors retire by rotation, Managing Director, Independent Director and Additional Director are not included. However, in the Company as on Annual General Meeting dated 30.09.2022, **Mr. Amit Rai (DIN: 00088067) re-appointed as Director of the Company, who was liable to retire by rotation.***

ANNEXURE-2
AUDIT COMMITTEE CONSTITUTION
As at end of the Financial Year 31st March, 2023

S. No	Name	Designation in company	Designation in Committee
1	Mr. Dileep Kumar	Independent Director	Chairman
2	Mr. Amit Kumar Jain	Independent Director	Member
3	Mr. Pramod Bhatnagar	Independent Director	Member

ANNEXURE-3

NOMINATION & REMUNERATION COMMITTEE
As at end of the Financial Year 31st March, 2023

S. No	Name	Designation in Company	Designation in Committee
1	Mr. Dileep Kumar	Independent Director	Chairman
2	Mr. Amit Kumar Jain	Independent Director	Member
3	Mr. Pramod Bhatnagar	Independent Director	Member

ANNEXURE-4

STAKEHOLDER RELATIONSHIP COMMITTEE
As at end of the Financial Year 31st March, 2023

S. No	Name	Designation in Company	Designation in Committee
1	Mr. Dileep Kumar	Independent Director	Chairman
2	Mr. Amit Kumar Jain	Independent Director	Member
3	Mr. Pramod Bhatnagar	Independent Director	Member

ANNEXURE-5
RISK MANAGEMENT COMMITTEE
As at end of the Financial Year 31st March, 2023

S. No	Name	Designation in Company	Designation in Committee
1	Mr. Dileep Kumar	Independent Director	Chairman
2	Mr. Amit Kumar Jain	Independent Director	Member
3	Mr. Pramod Bhatnagar	Independent Director	Member

Composition of all Committees changed on 30.07.2022 due to appointment of Mr. Amit Kumar Jain and resignation of Mr. Saurabh Kedia

X-----X-----X-----X

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.



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Annexure to the Secretarial Audit Report

**To,
The Members,
Espire Hospitality Limited
Shop No. 01 Country Inn, Mehragaon Bhimtal,
Nainital, Uttarakhand-248179**

My report of even date is to be read along with this letter:

Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.

I have not verified the correctness and appropriateness of financial records and books of accounts of the Company. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.

The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR M/s RSH & ASSOCIATES
COMPANY SECRETARIES
PEER REVIEWED CERTIFICATE NO. 1719/2022**

**(LOVENEET HANDA)
COMPANY SECRETARY
PARTNER**

**DATE: 05.08.2023
PLACE: DELHI
UDIN: F009055E000747254**

**C.P. NO.: 10753
M. NO.: 9055**

DISCLOSURE PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 4 & 5 OF THE COMPANIES APPOINTMENT & REMUNARATION OF MANAGERIAL PERSONNEL RULES 2014:

Sr No	Particulars	Remarks		
A	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Managing Director-NIL		
B	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Managing Director: -NIL Company Secretary:-NIL		
C	The percentage increase in the median remuneration of employees in the financial year;	NIL		
D	The number of permanent employees on the rolls of company;	As on 31.03.2023 ,321 employees including KMP'S were on the payrolls of the company		
E	The explanation on the relationship between average increase in remuneration and company performance;	As per Industry Standards		
F	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Satisfactory		
G	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies the variations in the net worth of the company as at the close of the current financial year and previous financial year		31ST March,23	31ST March,22
		a)Market Capitalization	1,04,08,884	1,04,08,884
		b)PE ratio	-	-
		c) Increase over last public offer	-	-
H	Average percentile increase already made in the salaries of Employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not applicable		
I	Comparison of each remuneration of the Key Managerial Personnel against the performance of the company;	Average Remuneration of KMP'S increased by 15% whereas revenue increased by 533%		
J	The key parameters for variable component of remuneration availed by the directors;	Not Applicable		
K	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	N.A as no remuneration was paid to any of the directors		
L	Affirmation that the remuneration is as per the remuneration policy of the company	Yes the remuneration Company's policy		

Annexure 5

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1) OF THE COMPANIES ACT, 2013	
Form No. AOC -2	
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014)	
Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso Thereto	
1.	<p>Details of contracts or arrangements or transactions not at arm's length basis</p> <p>The Company has not entered into any contract or arrangement or transaction with its related parties, which is not at arm's length during the year ended on March 31,2023</p>
2.	<p>Details of material contracts or arrangement or transactions at arm's length basis</p> <p>The Company has entered into any contract or arrangement or transaction with its related parties which is at arm's length during the year ended on March 31,2023, details thereof are as under:-</p> <ol style="list-style-type: none"> 1) Mr. Sumeer Narain Mathur, CS,CFO & Compliance officer- Remuneration 2) M/s Windsor Infrastructure Limited- Short term borrowing of Rs 10 Crores 3) M/s Forest Fern Hospitality Private Limited 4) M/s Forest Fern Resorts Private Limited 5) M/s Sarp Hotels Private Limited



INDEPENDENT AUDITOR'S REPORT

To the Members of Espire Hospitality Limited (Formerly Known as Wellesley Corporation Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **Espire Hospitality Limited (Formerly Known as Wellesley Corporation Limited)** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, 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 ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Opinion

The Company during the year ended March 31, 2023, commenced operations for one of its leased resorts in the state of Goa. The Company is in the process of getting the registration under Central Goods and Service Tax Act, 2017 and fulfilling the related compliances.

Our opinion is not modified in respect of the above matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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

1. As required by Section 143(3) of the Act, based on our audit we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements.
- (g) 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

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- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
(v) No dividend has been declared or paid during the year by the company.
(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **BANSAL & CO LLP**
Chartered Accountants
(Firm's Registration No. : 01113N /N500079)

Siddharth Bansal
Partner
(Membership No. 518004)
UDIN: [23518004BGVPJZ1675](#)
Place of Signature: New Delhi
Date: May 30, 2023

Annexure "A" to Independent Auditors' Report of even date on Financial Statement of Espire Hospitality Limited (Formerly Known as Wellesley Corporation Limited)

Referred to in paragraph 1 (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Espire Hospitality Limited (Formerly Known as Wellesley Corporation Limited) of even date

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

We have audited the internal financial controls over financial reporting of **Espire Hospitality Limited (Formerly Known as Wellesley Corporation Limited)** ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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") and the Standards on Auditing, issued by The Institute of Chartered Accountants of India and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial control. 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of such internal financial controls, 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 Standalone 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 Company's internal financial controls system over financial reporting with reference to financial statements.

Meaning of Internal Financial Controls with reference to these Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting with reference to these financial statements 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 Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to these financial statements and such internal financial controls with respect to these financial statements were operating effectively as at 31 March, 2023, based on the internal control with reference to these financial statement 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.

For **BANSAL & CO LLP**

Chartered Accountants

(Firm's Registration No. 01113N /N500079)

Siddharth Bansal

Partner

(Membership No. 518004)

UDIN: [23518004BGVPJZ1675](#)

Place of Signature: New Delhi

Date: May 30, 2023

Annexure "B" to Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Espire Hospitality Limited (Formerly Known as Wellesley Corporation Limited) of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets at reasonable intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were not physically verified by the Management during the year.
- (c) According to the information and explanations given to us and on the basis on our examination of the records of the Company, the company does not have immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), and accordingly, the requirement to report on clause 3(i)(a)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis on our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;
- (a) According to the information and explanations given to us and on the basis on our examination of the records of the Company, the management has not conducted physical verification of inventory during the year.
(b) According to the information and explanations given to us and on the basis on our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis on our examination of the records, the Company, during the year has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us and on the basis on our examination of the records, the Company, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

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(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have not generally been regularly deposited with the appropriate authorities

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information & explanation given to us and on the basis of our examination of the records of the company there are no dues of income tax or sales tax or service tax or goods & service tax or duty of customs or duty of excise or value added tax have not been deposited on account of disputes.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- d. On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- f. The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non- Banking Financial activities or Housing Financial activities. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.
- (c) The Company is not a core investment company. Therefore, Provisions of the clause 3(xvi)(c) of the order is not applicable.
- (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) 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 and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in notes to the financial statements, 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 the future viability of the Company. We further state that our reporting is based



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on the facts up to 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) (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

(xxi) The Company does not have any subsidiary / associate or joint venture and accordingly requirement to report on Clause 3(xxii) of the Order is not applicable to the Company.

For **Bansal & Co LLP**

Chartered Accountants

(Firm's Registration No. 01113N /N500079)

Signature

Siddharth Bansal

Partner

(Membership No.518004)

UDIN: [23518004BGVPJZ1675](#)

Place of Signature: Delhi

Date: May 30, 2023



ESPIRE HOSPITALITY LIMITED
(Formerly Known as Wellesley Corporation Limited)
 Balance Sheet as at March 31,2023
 (Rupees in lakhs, except for share data and if otherwise stated)

	Particulars	Note No	As at 31 March 2023	As at 31 March 2022
I.	ASSETS			
(1)	Non Current Assets			
	(a) Property Plant & Equipment	2	1,280.52	259.25
	(b) Capital Work in progress	3	552.89	73.76
	(c) Other Intangible assets	4	3.93	1.99
	(d) Deferred tax assets (Net)	5	15.97	-
	(e) Other non-current assets	6	527.15	240.75
	Total non current assets		2,380.46	575.76
(2)	Current Assets			
	(a) Inventories	7	7.93	29.57
	(b) Financial Assets			
	i) Trade receivables	8	67.31	24.98
	ii) Cash and cash equivalents	9	10.25	13.67
	iii) Bank Balances other than (ii)above	10	2.20	2.09
	(c) Other current assets			
	i) Other Advances	11	175.22	83.38
	Total Current assets		262.91	153.69
	Total Assets		2,643.37	729.45
	EQUITY AND LIABILITIES			
	EQUITY			
	(a)Equity Share Capital	12	1,350.04	1,350.04
	(b)Other Equity	13	(1,274.77)	(1,297.00)
	Total Equity		75.27	53.04
	LIABILITIES			
(1)	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	910.64	315.82
	(ii) Lease Liability	15	490.43	146.37
	(b) Deferred Tax Liability (Net)	5	-	0.74
	(c) Provisions	16	69.32	2.98
	Total non-Current liabilities		1,470.39	465.91
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Lease liability	15	365.13	97.58
	(ii) Trade Payables	17		
	(A) total outstanding dues of micro enterprises and small enterprises; and (B) total outstanding dues of creditors other than micro enterprises and small enterprises.		25.09 202.60	15.70 44.00
	(b) Other current liabilities	18	480.03	53.00
	(c) Current Tax Liabilities (Net)	19	20.22	-
	(d) Provisions	20	4.65	0.22
	Total current liabilities		1,097.72	210.50
	Total Equity and Liabilities		2,643.37	729.45

See accompanying notes to the financial statements

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As per our report of even date attached

For and on behalf of the Board of Directors

For Bansal & Co LLP
 CHARTERED ACCOUNTANTS
 (Firm Regn No:001113N/N500079)

(Gagan Oberoi)
Director
 DIN: 00087963

(Prithvi Raj Singh)
Managing Director
 DIN: 02876176

Siddharth Bansal
Partner
M No:518004
Place:New Delhi
Date:30/05/2023

(Sumeer Narain Mathur)
CFO, Company Secretary & Compliance Officer
 Membership No:FCS9042



ESPIRE HOSPITALITY LIMITED

(Formerly Known as Wellesley Corporation Limited)

Statement of Profit and Loss for the year ended March 31,2023

(Rupees in lakhs, except for share data and if otherwise stated)

	Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
I.	Revenue from operations	21	1,865.11	169.16
II	Other Income	22	18.19	61.59
III	Total Income(I + II)		1,883.30	230.75
IV	EXPENSES			
	Cost of Materials Purchased	23	220.02	65.07
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	21.63	(29.57)
	Employee benefits expense	25	588.16	81.60
	Finance Costs	26	65.35	10.42
	Depreciation and amortization expense	2 & 4	263.81	31.27
	Other expenses	27	676.68	68.69
	Total expenses (IV)		1,835.67	227.48
V	Profit/(loss) before Exceptional items and tax(I- IV)		47.63	3.27
VI	Exceptional Items		-	-
VII	Profit before tax (V- VI)		47.63	3.27
VIII	Tax expense:			
	(1) Current tax		36.11	-
	(2) Deferred tax		(16.71)	11.11
IX	Profit (Loss) for the year (VII-VIII)		28.24	(7.84)
X	Other Comprehensive Income			
	Items that will not be reclassified to Profit or Loss	28	6.01	(0.05)
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit (Loss) and other Comprehensive Income for year		22.23	(7.80)
XII	Earnings per equity share			
	(1) Basic		0.16	(0.06)
	(2) Diluted		0.16	(0.06)

See accompanying notes to the financial statements

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As per our report of even date attached

For and on behalf of the Board of Directors

For Bansal & Co LLP

CHARTERED ACCOUNTANTS

(Firm Regn No:001113N/N500079)

(Gagan Oberoi)

Director

DIN: 00087963

(Prithvi Raj Singh)

Managing Director

DIN: 02876176

Siddharth Bansal

Partner

M No:518004

Place:New Delhi

Date:30/05/2023

(Sumeer Narain Mathur)

CFO,Company Secretary & Compliance Officer

Membership No:FCS9042



ESPIRE HOSPITALITY LIMITED

(Formerly known as Wellesley Corporation Limited)

Statement of Cash Flows for the year ended March 31,2023
(Rupees in lakhs, except for share data and if otherwise stated)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES BEFORE INTEREST			
Profit before taxation		47.63	3.27
Adjustment for :			
Depreciation and amortisation	2 & 4	263.81	31.27
Interest income	22	(10.73)	(0.10)
Finance Cost	26	65.35	10.42
Operating cash flow before working Capital changes		366.07	44.85
Decrease/(Increase) in Trade Receivables	8	(42.33)	(4.78)
Decrease/(Increase) in Other Current assets	11	(91.84)	(34.23)
Decrease/(Increase) in Other Non Current Assets	6	(286.40)	(262.28)
Increase/(Decrease) in Provisions	16	60.33	2.53
Increase/(Decrease) in Current Liabilities	18	77.22	208.70
Increase/(Decrease) in Other Financial Liabilities	15	476.93	169.40
Decrease/(Increase) in Inventories	7	21.63	(29.57)
Cash generated from operation		581.62	94.63
Income taxes paid, net		(15.89)	-
NET CASH FROM OPERATING ACTIVITIES(A)		565.73	94.63
B. CASH FROM INVESTING ACTIVITIES			
Purchase of Property Plant & Equipment (including CWIP)	2 & 3	(973.96)	(364.06)
Investment in Intangible assets	4	(2.40)	(0.56)
Interest received	22	10.73	0.10
Increase in Term Deposit	10	(0.11)	-
NET CASH FROM INVESTING ACTIVITIES(B)		(965.74)	(364.52)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Borrowings (Net of repayments)	14	594.82	315.82
Lease payment		(186.19)	(31.93)
Finance Cost	26	(12.04)	(1.52)
NET CASH USED IN FINANCING ACTIVITIES (C)		396.59	282.36
Net Inc/(Dec) in Cash and Cash Equivalents(A+B+C)		(3.42)	12.47
Cash & Cash Equivalents as at the beginning of the year	9	13.67	1.20
Cash & Cash Equivalents as at the end of the year	9	10.25	13.67
Reconciliation of cash and cash equivalents as per the cash flow statement			
Cash and cash equivalents as per above comprise of the following			
Cash on hand		5.67	1.79
Balances with banks		4.58	11.89
Cash and cash equivalents	9	10.25	13.67
Balance as per statement of cash flows		10.25	13.67

The above statement of cash flows should be read in conjunction with the accompanying notes.
This is the cash flow statement referred to in our report of even date.

See accompanying notes to the financial statements

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As per our report of even date attached

For and on behalf of the Board of Directors

For Bansal & Co LLP
CHARTERED ACCOUNTANTS
(Firm Regn No:001113N/N500079)

(Gagan Oberoi) (Prithvi Raj Singh)
Director **Managing Director**
DIN: 00087963 DIN: 02876176

Siddharth Bansal
Partner
M No:518004
Place:New Delhi
Date:30/05/2023

(Sumeer Narain Mathur)

CFO, Company Secretary & Compliance Officer
Membership No:FCS9042

**ESPIRE HOSPITALITY LIMITED****(Formerly known as Wellesley Corporation Limited)**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH,2023

(Rupees in lakhs, except for share data and if otherwise stated)

A Equity Share Capital**1) Current Year**

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Balance as at March 31, 2023	Restated balance at the beginning of the current year	Changes in equity share capital during the current year	Balance at the end of the current year
1,350.04	NIL	1,350.04	NIL	NIL	NIL

2) Previous year

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Balance as at March 31, 2022	Restated balance at the beginning of the current year	Changes in equity share capital during the current year	Balance at the end of the current year
1,350.04	NIL	1,350.04	NIL	NIL	NIL

B Other Equity**1) Current Year**

Particulars	Reserve & Surplus Retained Earnings	Total
Balance as at April 1, 2021	(1,289.21)	(1,289.21)
Total comprehensive income for the year 2021-22	(7.80)	(7.80)
Balance as at March 31, 2022	(1,297.00)	(1,297.00)
Balance as at April 1, 2022	(1,297.00)	(1,297.00)
Total comprehensive income for the year 2022-23	22.23	22.23
Balance as at March 31, 2023	(1,274.77)	(1,274.77)

As per our report of even date attached

For and on behalf of the Board of Directors

For Bansal & Co LLPCHARTERED ACCOUNTANTS
(Firm Regn No:001113N/N500079)(Gagan Oberoi)
Director
DIN: 00087963(Prithvi Raj Singh)
Managing Director
DIN: 02876176

Siddharth Bansal

Partner

M No:518004

Place:New Delhi

Date:30/05/2023

(Sumeer Narain Mathur)

CFO, Company Secretary & Compliance Officer

Membership No:FCS9042

Note No.1

(A) CORPORATE INFORMATION

The Company was incorporated on October 23, 1991, under the provisions of the Companies Act,1956. The company Registered Office is located at Bhimtal, Dist Nanital (Uttarakhand) having CIN L45202UR1991PLC000604. The Shares of the company are listed on BSE. The Company has been primarily engaged in the business of hospitality including operating, managing, developing, renovating and promoting hotels/resorts and providing related services.

The company is operating its hotels namely Country Inn Nature Resorts, Bhimtal, Country Inn Tarika, Jim Corbett, Country Inn Tarika Varca Beach, Goa, Country Inn Express, Sajjangarh, Zana - Luxury Escapes Udaipur, Country Inn Hall of Heritage, Amritsar, Country Inn Jim Corbett (under renovation w.e.f 1.10.22).

Further, the Company is in the process of initiating operations namely Country Inn Maple Resorts, Chail, Country Inn Vrindavan, Country Inn Premier Pacific Resort, Mussoorie, Country Inn Premier Dehradun, Zana Forest Resorts Ramthambore, Zana Nature Resorts Kasauli and Zana Mountain Resort Rishikesh.

(B) BASIS OF PREPARATION

1) Statement of Compliance

These Standalone financial statements (“financial statements”) have been prepared to comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The financial statements were authorised for issue by the Board of Directors of the Company on 30th May,2023

2) Basis of Measurement

These financial statements have been prepared in accordance with Indian Accounting Standards (IndAS) on accrual and going concern basis and the historical cost convention except for certain financial assets, financial liabilities and certain other items which have been measured at fair value as required under the relevant IndAS, the provisions of the Companies Act ,2013(Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI), IndAs as prescribed under Section 133 of the Act read with Rule 3 of the Companies(Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

- measurement of defined benefit obligations: key actuarial assumptions.



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ESPIRE HOSPITALITY LIMITED
Notes to the Financial Statements for the period ended 31st March,2023
(Rupees in lakhs, except for share data and if otherwise stated)

- judgement required to ascertain lease classification.
- measurement of useful life and residual values of property, plant and equipment.
- fair value measurement of financial instruments.
- judgement required to determine probability of recognition of deferred tax assets.
- impairment of trade receivables
- other estimate items determined

(C) SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(I) CURRENT - NON-CURRENT CLASSIFICATION

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(II) OPERATING CYCLE

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

(III) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS
Functional and presentation currency



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ESPIRE HOSPITALITY LIMITED
Notes to the Financial Statements for the period ended 31st March,2023
(Rupees in lakhs, except for share data and if otherwise stated)

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be Indian Rupees (Rs.). The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest lakhs, unless otherwise stated.

Transactions and Balances

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the date of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the Statement of Profit and Loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs.

(IV) FAIR VALUE MEASUREMENT

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 to/ by the Company.

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) 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

The Company measures financial instruments, such as, investments , at fair value at each reporting date. Also, fair value of financial instruments measured at amortised cost is disclosed in Notes.



(V) FINANCIAL INSTRUMENTS

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

Financial assets

Recognition and initial measurement

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting 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 (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortized cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither



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transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets (other than at fair value)

The Company makes allowance for doubtful trade receivable and contract assets using simplified approach, significant judgement is used to estimate doubtful accounts as prescribed in IND AS 109. In estimating doubtful accounts historical and anticipated customer performance are considered. Changes in the economy, industry, or specific customer conditions may require adjustments to the allowance for doubtful accounts recorded in financial statements. This is done on the basis of company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortized cost using the effective interest method. Interest expense are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Derecognition

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

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the assets and settle the liabilities simultaneously.

(VI) **EQUITY SHARE CAPITAL**



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Issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

(VII) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(VIII) PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate component of property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment) is included in the Statement of Profit and Loss when property, plant and equipment is derecognized. The carrying amount of any component accounted as a separate component is derecognized, when replaced or when the property, plant and equipment to which the component relates gets derecognized.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss at the time of incurrence.

(IX) DEPRECIATION ON PROPERTY, PLANT AND EQUIPMENT

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values and is charged to Statement of Profit and Loss. Depreciation on property, plant and equipment, is provided on straight-line method at the rates and in the manner provided in Schedule II of the Companies Act, 2013.

Depreciation has been charged based on the following useful lives:

Sr. No.	Particulars	Useful life as per Schedule II of Companies Act, 2013
1	Hotel Building	60 Years
2	Electric Installations	10 Years
3	Furniture & Fixture	8 Years
4	Kitchen & Office Equipment's	5 Years
5	Plant & Machinery	15 Years
6	Computers	3 Years
7	Vehicle	10 Years
8	Right to Use Assets	Over the lease period

The useful lives have been determined based on internal evaluation done by management and are in line with the estimated useful lives, to the extent prescribed by the Schedule II of the Companies Act, 2013, in order to reflect the technological obsolescence and actual usage of the asset. The residual values are not more than 5% of the original cost of the asset.

Depreciation is calculated on a pro-rata basis for assets purchased/sold during the year. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

(X) INVESTMENT PROPERTY

Property that is held for Long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as Investment Property. Investment Property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment Properties are depreciated using the straight line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management's expert.

(XI) INTANGIBLE ASSETS

Recognition and measurement

Other intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The other intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortization and impairment losses, if any.

Gain or losses arising from derecognition of an other intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.



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Particulars	Useful life in years
Brands/Trademarks	10

Subsequent costs

Subsequent costs are capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on other intangible assets is recognised in the Statement of Profit and Loss, as incurred.

Amortization

Amortization is calculated to write off the cost of other intangible assets over their estimated useful lives of 3 years using the straight-line method. Amortization is calculated on a pro-rata basis for assets purchased/ disposed during the year.

Amortization method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Intangible assets under development

Cost of intangible assets under development as at the reporting date are disclosed as intangible assets under development.

(XII) LEASES

(i) As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset or the end of the lease term. The estimated useful life of right-of-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments from a change in an index or rate. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use asset that do not meet the definition of investment property as a separate line item and lease liabilities in "other financial liabilities" in the Balance Sheet. The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less, leases of low value assets and leases with no written agreement. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115



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“Revenue from contract with customers” to allocate the consideration in the contract. The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of “Other Income”.

(XIII) INVENTORY

Inventories are stated at cost or net realizable value, whichever is lower. Net realizable value (NRV) is the estimated selling price in the ordinary course of the business, less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of all categories of inventory is determined using first in first out basis (FIFO).

(XIV) IMPAIRMENT - NON-FINANCIAL ASSETS

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

(XV) EMPLOYEE BENEFITS

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined contribution plans

The Company pays provident fund contributions to the appropriate government authorities. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.

Defined benefit plans

Defined benefit plans of the Company comprise gratuity.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is unfunded.

The liability recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in "other equity" in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

Other long-term employee benefits

i. Compensated absences

Accumulated leave which is expected to be utilized within the next 12 months is treated as a short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Accordingly, benefits under compensated expenses are accounted as other long-term employee benefits. The Company's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in Statement of Profit and Loss in the period in which they arise.

ii. Others

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in Statement of Profit and Loss in the period in which they arise.

(XVI) PROVISIONS AND CONTINGENT LIABILITIES AND ASSET

Provisions

Contingent liabilities and assets

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

(XVII) REVENUE RECOGNISATION

a) Revenue in case of Hotels & Resorts Business

Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer. In relation to laundry income, airport transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

b) Revenue in case of Sale of Services in real estate segment

Revenue in case of property maintenance services shall be recognized on fulfillment of performance obligations as per the contracts.

c) Interest

Revenue is recognized on a time proportion basis using the effective interest rate method.

(XVIII) EXPENDITURE

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

(XIX) BORROWING COSTS

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(XX) TAXATION

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

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 relating to income taxes. It is measured using tax rates enacted at the reporting date.



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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 realize the asset and settle the liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets unrecognized or recognized, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized. Significant management judgement is required to determine the probability of deferred tax asset.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

(XXII) SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

(XXIII) EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Since there is no potential; dilutive equity shares hence there is no impact on basic EPS while calculating dilutive EPS.

(XXIV) CASH FLOW STATEMENT

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash flows from operating activities 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.

(XXV) RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

1. Ind AS 1 – Presentation of Financial Statements-

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can



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reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements

2. Ind AS 12 – Income Taxes –

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

3. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors-

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.



Espiré Hospitality Limited

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Notes forming part of Financial Statements for the financial year ended 31.03.2023
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NOTE 02 : PROPERTY, PLANT AND EQUIPMENT

Particulars	G R O S S B L O C K				D E P R E C I A T I O N					N E T B L O C K	
	As at April 1, 2022	Additions during the year	Deductions / Adjustments during the year	As at March 31, 2023	As at April 1, 2022	Current year	Depreciation on Life expired Assets	Deletions / Adjustments of Depreciation	Up to March 31, 2023	As at March 31, 2023	As at March 31, 2022
(i) Tangible Assets											
- Electric Installations	1.17	24.87	-	26.04	0.06	2.60	-	-	2.66	23.38	1.11
- Furniture & Fixture	0.13	13.06	-	13.19	0.01	1.68	-	-	1.69	11.50	0.12
- Kitchen Equipments	1.94	15.77	-	17.71	0.14	2.06	-	-	2.20	15.51	1.80
- Office Equipments	1.69	7.68	-	9.36	0.13	0.93	-	-	1.06	8.30	1.56
- Computers	18.39	13.79	-	32.18	2.31	7.99	-	-	10.30	21.87	16.08
-Right to use asset (Leasehold Resorts)	266.98	789.79	-	1,056.77	28.40	202.97	-	-	231.36	825.41	238.59
Leasehold Improvements	-	419.67	-	419.67	-	45.12	-	-	45.12	374.55	-
Total	290.30	1,284.62	-	1,574.92	31.05	263.35	-	-	294.40	1,280.52	259.25
Previous Year	-	290.30	-	290.30	-	31.05	-	-	31.05	259.25	-

There have been no revaluation of Property, plant and equipment during financial year 2022-23 or 2021-22

There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)

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Notes to the Standalone financial statement for the year ended March 31, 2023

(b) For the CWIP, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023

Capital Work in progress (CWIP)	To be completed in				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project 1	-	-	-	-	-
-Project 2	-	-	-	-	-
Total	-	-	-	-	-

(c) For the CWIP, projects whose activity has been suspended as at March 31, 2023

Capital Work in progress (CWIP)	To be completed in				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project 1	-	-	-	-	-
-Project 2	-	-	-	-	-
Total	-	-	-	-	-

3.2 (a) For the CWIP as at March 31, 2022

Capital Work in progress (CWIP)	Amount of CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project in progress	73.76		-	-	73.76
-Project temporarily suspended	-	-	-	-	-
Total	73.76	-	-	-	73.76

(b) For the CWIP, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022

Capital Work in progress (CWIP)	To be completed in				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project 1	-	-	-	-	-
-Project 2	-	-	-	-	-
Total	-	-	-	-	-

(c) For the CWIP, projects whose activity has been suspended as at March 31, 2022

Capital Work in progress (CWIP)	To be completed in				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project 1	-	-	-	-	-
-Project 2	-	-	-	-	-
Total	-	-	-	-	-

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Notes to the Standalone financial statement for the year ended March 31, 2023

(b) For the CWIP, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023

Capital Work in progress (CWIP)	To be completed in				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project 1	-	-	-	-	-
-Project 2	-	-	-	-	-
Total	-	-	-	-	-

(c) For the CWIP, projects whose activity has been suspended as at March 31, 2023

Capital Work in progress (CWIP)	To be completed in				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project 1	-	-	-	-	-
-Project 2	-	-	-	-	-
Total	-	-	-	-	-

3.2 (a) For the CWIP as at March 31, 2022

Capital Work in progress (CWIP)	Amount of CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project in progress	73.76		-	-	73.76
-Project temporarily suspended	-	-	-	-	-
Total	73.76	-	-	-	73.76

(b) For the CWIP, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022

Capital Work in progress (CWIP)	To be completed in				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project 1	-	-	-	-	-
-Project 2	-	-	-	-	-
Total	-	-	-	-	-

(c) For the CWIP, projects whose activity has been suspended as at March 31, 2022

Capital Work in progress (CWIP)	To be completed in				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project 1	-	-	-	-	-
-Project 2	-	-	-	-	-
Total	-	-	-	-	-



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Notes forming part of Financial Statements for the financial year ended 31.03.2023

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4 Intangible assets

A Reconciliation of carrying amount

Particulars	Brands and Trademarks	Total
Gross carrying Balance as at 31 March 2022	2.21	2.21
Additions during the year	2.40	2.40
Disposals during the year	-	-
Balance as at 31 March 2023	4.61	4.61
Accumulated depreciation as at 31 March 2022	0.22	0.22
Amortisation for the year	0.46	0.46
Disposals during the year	-	-
Balance at 31 March 2023	0.68	0.68
Net carrying value as at 31 March 2023	3.93	3.93
Net carrying value as at 31 March 2022	1.99	1.99

There have been no revaluation of Intangible assets during financial year 2022-23 or 2021-22

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Notes forming part of Financial Statements for the year ended March 31, 2023

(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 5

DEFERRED TAX ASSETS (NET)

PARTICULARS	As at 31 March 2023	Deferred Tax Expenses	As at 31 March 2022
Deferred Tax Asset/ (Liability) (Brought forward losses & Un absorbed depreciation)	15.97	16.71	(0.74)
Net Deferred Tax Asset/(Liability)	15.97	16.71	(0.74)

5.1 For the year ended March 31, 2023

Particulars	Opening Balance	Recognised in profit and loss	Closing Balance
Deferred tax assets			
Property , plant and equipment and intangibles assets	4.18	3.38	7.56
Leases	78.61	131.80	210.41
Deferred tax liabilities			
Unabsorbed depreciation, Carry Forward, Bought Forward business losses and MAT credit	(19.85)	19.85	-
Leases	(61.40)	(153.93)	(215.33)
Employee Benefit	(0.81)	(17.81)	(18.62)
Deferred tax assets / (liabilities), Net	(0.74)	16.71	15.97

5.2 For the year ended March 31, 2022

Particulars	Opening Balance	Recognised in profit and loss	Closing Balance
Deferred tax assets			
Property , plant and equipment and intangibles assets	-	4.18	4.18
Leases	-	78.61	78.61
Deferred tax liabilities			
Unabsorbed depreciation, Carry Forward, Bought Forward business losses and MAT credit	(10.37)	(9.48)	(19.85)
Leases	-	(61.40)	(61.40)
Employee Benefit	-	(0.81)	(0.81)
Deferred tax assets / (liabilities), Net	10.37	(11.11)	(0.74)

NOTE - 6

OTHER NON CURRENT ASSETS

PARTICULARS	As at 31 March 2023	As at 31 March 2022
i) Capital advances	189.97	-
ii) Advances other than capital advances		
a) Security Deposits	337.18	240.75
TOTAL	527.15	240.75



ESPIRE HOSPITALITY LIMITED

(Formerly Known as Wellesley Corporation Limited)

Notes forming part of Financial Statements for the year ended March 31,2023

(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 7

INVENTORIES

PARTICULARS	As at 31 March 2023	As at 31 March 2022
Grocery Items	7.93	1.59
Linen & Crockery	-	27.98
TOTAL	7.93	29.57

NOTE-8

TRADE RECEIVABLES

PARTICULARS	As at 31 March 2023	As at 31 March 2022
Trade Receivables considered good-Unsecured	67.31	24.98
TOTAL	67.31	24.98

Financial Year 2022-23

Note :8.1 Ageing Schedule of Trade Receivables

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	47.69	-	-	-	47.69
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	19.62	19.62
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-
Total	47.69	-	-	19.62	67.31

Financial Year 2021-22

Note :8.2 Ageing Schedule of Trade Receivables

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	5.36	-	-	-	5.36
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	19.62	19.62
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-
Total	5.36	-	-	19.62	24.98

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ESPIRE HOSPITALITY LIMITED

(Formerly Known as Wellesley Corporation Limited)

Notes forming part of Financial Statements for the year ended March 31,2023

(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 9

CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31 March 2023	As at 31 March 2022
a) Balance with Banks In Current Accounts	4.58	11.89
b) Cash on Hand	5.67	1.79
TOTAL	10.25	13.67

NOTE - 10

OTHER BANK BALANCES

PARTICULARS	As at 31 March 2023	As at 31 March 2022
In term deposit account (Including Accrued Interest) (Maturity more than 3 months)	2.20	2.09
TOTAL	2.20	2.09

Note 10.1

Term deposit has been given as security against the bank guarantee submitted to Department of Trade and Taxes Delhi. The tenure of the Bank Guarantee has already been expired however the Bank Guarantee is yet to be released by the Department of Trade and Taxes, Delhi

NOTE - 11

OTHER CURRENT ASSETS

PARTICULARS	As at 31 March 2023	As at 31 March 2022
Advances other than capital advances		
Advance to staff	2.45	0.07
Recoverable in Cash or kind	74.30	13.53
Balance with income tax authorities	-	9.09
Prepaid Expenses	52.66	21.53
Advance to Suppliers	45.81	39.16
TOTAL	175.22	83.38

ESPIRE HOSPITALITY LIMITED**(Formerly Known as Wellesley Corporation Limited)**Notes forming part of Financial Statements for the year ended March 31,2023
(Rupees in lakhs, except for share data and if otherwise stated)**NOTE NO. 12****EQUITY SHARE CAPITAL**

PARTICULARS	As at 31 March 2023	As at 31 March 2022
Authorised 1,50,00,000 (Previous year 1,50,00,000) Equity share of Rs 10/- each	1,500	1,500
Issued 1,35,00,400 (Previous year 1,35,00,400) Equity shares of Rs 10/- each	<u>1,350</u>	<u>1,350</u>
Subscribed & fully paid up 1,35,00,400 (Previous year 1,35,00,400) Equity shares of Rs 10/- each	1,350	1,350
TOTAL	1,350	1,350

12.1

Details of reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rupees	No. of shares	Rupees
Number of shares outstanding at the beginning of the year	1,35,00,400	1,350	1,35,00,400	1,350
Add: Changes during the year	-	-	-	-
Number of shares outstanding at the end of the year	1,35,00,400	1,35,004	1,35,00,400	1,35,004

12.2

The details of Shareholders holding more than 5% equity shares in the company

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No of Shares	%	No of Shares	%
Mrs Sadhana Rai*	1,00,00,000	74.07	1,00,00,000	74.07

12.3 The company has not reserved any equity shares for issue under options and contracts/commitments for sale of shares/disinvestment

12.4 The company for the period of five years immediately preceding the Balance Sheet date has not

- (i) allotted any equity shares as fully paid up pursuant to contract(s) without payment being received in cash
(ii) allotted any fully paid up shares by way of bonus shares nor has bought back any class of equity shares

12.5 The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders, in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are entitled to receive only the residual assets of the company. The distribution of dividend, if any, is in the proportion to the number of equity shares held by the shareholders.

12.6

Shareholding of promoter and group of promoters

Promoter Name	No of Shares		Changes during the year	
	No of Shares	%	No of Shares	%
Mrs Sadhana Rai*	1,00,00,000	74.07	NIL	NIL

*Mrs. Sadhana Rai has passed away on 23rd November, 2020, however her shares are yet to be transmitted to the legal heirs. A petition for succession certificate with Hon'ble court has been filed however the order is awaited .

12.7 The Company has no holding, subsidiary, associate or joint venture

12.8 The Company has not issued bonus shares, bought back shares or issued shares for consideration other than cash during the period of five years immediately preceding the reporting date.

The Company has not declared dividend in the financial year 2022-23 and 2021-22.



ESPIRE HOSPITALITY LIMITED

(Formerly Known as Wellesley Corporation Limited)

Notes forming part of Financial Statements for the year ended March 31,2023
(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 13

OTHER EQUITY

Particulars	As at 31 March 2023	As at 31 March 2022
<u>Other Reserves</u>		
Retained Earnings	(1,274.77)	(1,297.00)
TOTAL	(1,274.77)	(1,297.00)

NOTE - 14

BORROWING

Particulars	As at 31 March 2023	As at 31 March 2022
Loans from related parties	910.64	315.82
TOTAL	910.64	315.82

Note:14.1

Details of Borrowing

Particulars	As at 31 March 2023	As at 31 March 2022	Rate of Interest	Repayment Terms
Loan from Related Party(Unsecured)	910.64	315.82	8% pa	Lump sum repayment after 3 years from drawdown

Note: 14.2

The company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.

NOTE - 15

Lease Liability

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non-current	Current	Non-current
Lease Liability	365.13	490.43	97.58	146.37
TOTAL	365.13	490.43	97.58	146.37

15.1 Leases

As a Lessee

Property, Plant and Equipment' comprise owned and leased assets that do not meet the definition of investment property.

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Right-of-use assets, except for investment property	2	825.41	238.59
		825.41	238.59

Information about leases for which the Company is a lessee is presented below.



ESPIRE HOSPITALITY LIMITED

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Notes forming part of Financial Statements for the year ended March 31, 2023

(Rupees in lakhs, except for share data and if otherwise stated)

Right-of-use assets

Particulars	Leaseshold Resorts
Balance at 1 April 2020	-
Additions:	266.98
Depreciation charge for the year	28.40
Balance at 31st March 2021	238.59
Balance at 1 April 2021	238.59
Additions:	789.79
Depreciation charge for the year	202.97
Balance at 31st March 2022	825.41

Lease liabilities

	As at 31 March 2023	As at 31 March 2022
Maturity analysis - Contractual undiscounted cash flows		
Less than one year	364.04	97.50
One to five years	962.03	200.00
More than five years	-	-
Total undiscounted lease liabilities at 31st March, 2022	1,326.07	297.50

	As at 31 March 2023	As at 31 March 2022
Lease liabilities included in the statement of financial position		
Current	365.13	97.58
Non-current	490.43	146.37

	Period ended 31 March 2023	Period ended 31 March 2022
Amounts recognised in profit or loss		
Interest on lease liabilities	53.31	8.90
Expenses relating to short-term leases / variable payments	226.07	0.18

Particulars	Period ended 31 March 2023	Period ended 31 March 2022
Total cash outflow for leases	(186.19)	(31.93)

There are no significant restrictions or covenants imposed by the leases

There are no lease pending commencement to which the Company has committed as at year ended March 31, 2023

NOTE - 16

PROVISIONS

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
- Gratuity(Unfunded)	40.70	0.12
- Leave(Unfunded)	28.62	2.86
TOTAL	69.32	2.98

16.1 The following table sets out the disclosure in respect of defined benefit plans for Employee benefits as required under Ind AS 19 (For the F.Y 2022-23)

PARTICULARS	Gratuity	Leave Encashment
Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations as at 01.04.2022	0.12	3.08
Service cost	10.31	19.76
Interest Cost	2.07	0.80
Benefits Paid	(4.27)	(1.30)
Transfer In/(Out)	28.90	8.06
RE-measurement Acturial(Gain)/ Loss	6.01	0.43
Obligations as at 31.03.2023	43.14	30.84
Reconciliation of present value of the obligation and the fair value of the plan assets :		
Fair Value of plan assets as at 31.03.2023		
Present value of the defined benefit obligations as at 31.03.2023	43.14	30.84
(Asset)/Liability recognised in the balance sheet	43.14	30.84
Short Term Provision	2.44	2.21
Long Term Provision	40.70	28.62
Total	43.14	30.84
Assumptions		
Attrition rate	5%	5%
Discount factor	7.15%	7.46%
Estimated rate of return on plan assets	N.A	N.A
Salary Increase	5%	5%
Retirement age	60	60



ESPIRE HOSPITALITY LIMITED

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Notes forming part of Financial Statements for the year ended March 31,2023
(Rupees in lakhs, except for share data and if otherwise stated)

16.2 The following table sets out the disclosure in respect of defined benefit plans for Employee benefits as required under Ind AS 19 (For the F.Y 2021-22)

PARTICULARS	Gratuity	Leave Encashment
Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations as at 01.04.2021	0.04	0.15
Service cost	0.13	1.53
Interest Cost	0.00	0.01
Benefits Paid	-	(0.20)
Past Service Cost	-	1.77
RE-measurement Acturial(Gain)/ Loss	(0.05)	(0.18)
Obligations as at 31.03.2022	0.12	3.08
Reconciliation of present value of the obligation and the fair value of the plan assets :		
Fair Value of plan assets as at 31.03.2022	-	-
Present value of the defined benefit obligations as at 31.03.2022	0.12	3.08
(Asset)/Liability recognised in the balance sheet	0.12	3.08
Short Term Provision	0.00	0.22
Long Term Provision	0.12	2.86
Total	0.12	3.08
Assumptions		
Attrition rate	5%	5%
Discount factor	7.15%	7.15%
Estimated rate of return on plan assets	N.A	N.A
Salary Increase	5%	5%
Retirement age	60	60

NOTE - 17

TRADE PAYABLES

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(A) total outstanding dues of micro enterprises and small enterprises	25.09	15.70
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	202.60	44.00
TOTAL	227.69	44.00



ESPIRE HOSPITALITY LIMITED

(Formerly Known as Wellesley Corporation Limited)

Notes forming part of Financial Statements for the year ended March 31,2023
(Rupees in lakhs, except for share data and if otherwise stated)

Note:17.1

Trade Payables ageing for the Financial Year 2022-23

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	25.09	-	-	-	25.09
(ii) Others	202.60	-	-	-	202.60
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note:17.2

Trade Payables ageing for the Financial Year 2021-22

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	15.70	-	-	-	15.70
(ii) Others	44.00	-	-	-	44.00
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTE - 18

OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2023	As at 31 March 2022
Other Advances		
Advance from Customers	101.47	15.91
Statutory Dues	100.20	-
Expenses Payable	150.99	37.09
Security Deposit	5.90	-
Staff Payable	80.26	-
Capital Creditors	41.21	-
TOTAL	480.03	53.00

NOTE - 19

Current Tax Liabilities (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Income Tax (Net)	20.22	-
TOTAL	20.22	-

NOTE - 20

SHORT TERM PROVISIONS

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
- Gratuity(Unfunded)	2.44	0.00
- Leave(Unfunded)	2.21	0.22
TOTAL	4.65	0.22

Note:20.1 Refer note no:16.1 & 16.2

ESPIRE HOSPITALITY LIMITED**(Formerly Known as Wellesley Corporation Limited)**

Notes forming part of Financial Statements for the year ended March 31,2023

(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 21**REVENUE FROM OPERATIONS**

PARTICULARS	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of Services		
Room Rent & Room Package Sale	1,321.36	101.63
Food & Beverages	461.98	41.82
Consultancy Services	-	10.00
Other Operational Income	81.77	15.70
TOTAL	1,865.11	169.16

Revenue disaggregation by timings of satisfaction of performance obligation

PARTICULARS	For the year ended 31 March 2023	For the year ended 31 March 2022
At a point in time	1,865.11	169.16
Over a period of time	-	-
Total	1,865.11	169.16

Disaggregation revenue by geographical region

PARTICULARS	For the year ended 31 March 2023	For the year ended 31 March 2022
Within India	1,865.11	169.16
Outside India	-	-
Total	1,865.11	169.16

NOTE - 22**OTHER INCOME**

PARTICULARS	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on FDR's	0.11	0.10
Misc Income	7.46	0.08
Interest Income on security deposit (Notional)	10.62	-
Provision Written Back	-	61.41
TOTAL	18.19	61.59

NOTE - 23**COST OF MATERIALS PURCHASED**

PARTICULARS	For the year ended 31 March 2023	For the year ended 31 March 2022
Grocery Items	146.42	24.21
Perishable Items	44.64	8.60
Beverages	11.06	0.26
Consumables	17.90	32.00
TOTAL	220.02	65.07

ESPIRE HOSPITALITY LIMITED**Formerly Known as Wellesley Corporation Limited)**

Notes forming part of Financial Statements for the financial year ended 31.03.2023

(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 24**CHANGES IN INVENTORIES OF FINISHED GOODS,WORK IN PROGRESS AND STOCK IN TRADE**

PARTICULARS	For the year 2022-23	For the year 2021-22
Inventories at Close		
Grocery Items	7.93	1.59
Linen & Crockery	-	27.98
	7.93	29.57
Inventories at Commencement		
Grocery Items	1.59	-
Linen & Crockery	27.98	-
	29.57	-
Decrease/(Increase) In Inventory	21.63	(29.57)

NOTE - 25**EMPLOYEE BENEFITS EXPENSE**

PARTICULARS	For the year 2022-23	For the year 2021-22
Salary & Wages	491.93	75.36
Contribution to provident & other funds	49.04	3.84
Staff welfare expenses	47.19	2.39
TOTAL	588.16	81.60

NOTE - 26**FINANCE COST**

PARTICULARS	For the year 2022-23	For the year 2021-22
Interest Expenses on:		
-lease liability (Notional)	53.31	8.90
-other	0.96	0.40
Bank Charges & POS Charges	11.08	1.13
TOTAL	65.35	10.42

Note:26.1 Interest on borrowings amounting to Rs. 61.06 lakhs (PY Rs. 7.82 Lakhs) has been capitalized under CWIP .

ESPIRE HOSPITALITY LIMITED**Formerly Known as Wellesley Corporation Limited)**

Notes forming part of Financial Statements for the year ended March 31,2023

(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 27**OTHER EXPENSES**

PARTICULARS	For the year 2022-23	For the year 2021-22
Lease Rent Expenses	226.07	0.18
Power & Fuels	108.22	14.19
Event Expenses	33.53	6.52
Repairs & Maintenance		
Plant & Machinery	4.78	0.54
Others	4.30	0.07
Rates & Taxes	4.33	0.67
Listing & Filing Fees	5.40	4.37
Fines & Penalties	0.15	11.19
Insurance	2.36	-
Communication Expenses	7.29	1.92
Printing & Stationary	5.49	1.01
Travel & Conveyance	43.43	2.46
Advertisement and business promotion	33.89	3.58
Commissions	115.50	10.45
Legal & Professional Expences	9.70	4.08
Statutory Publications	0.57	0.65
Donation & Charity	0.54	-
Royalty Expenses	6.61	0.73
Audit Fees (statutory audit)	6.00	2.00
Misc.Expenses	58.52	4.07
TOTAL	676.68	68.69

NOTE - 28**OTHER COMPREHENSIVE INCOME**

PARTICULRS	For the year 2022-23	For the year 2021-22
A) Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans	6.01	(0.05)
TOTAL	6.01	(0.05)

ESPIRE HOSPITALITY LIMITED

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Notes forming part of Financial Statements for the year ended March 31,2023

(Rupees in lakhs, except for share data and if otherwise stated)



29 Contingent liabilities

A Claims / show cause notices against the Company disputed by the Company not acknowledged as debt:

	As at 31 March 2023	As at 31 March 2022
(a) Income tax matters	-	-
(b) Civil Suits	87.19	87.19
(d) Guarantee issued	-	-
Total	87.19	87.19

In respect of the above claims against the Company , all available legal steps have been taken to protect the Company's interest. Based on the status of the case and as advised by Company's advisors, wherever applicable, the management believes that the Company has strong chance of success and no further liability will arise against the same.

B Capital and other commitments

	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

ESPIRE HOSPITALITY LIMITED
(Formerly Known as Wellesley Corporation Limited)
Notes forming part of the financial statements for the year ended 31 March 2023
(Rupees in lakhs, except for share data and if otherwise stated)

30 Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As on 31 March 2023

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Investments		-	-	-	-	-	-	-
Loans		-	-	-	-	-	-	-
Other financial assets		-	-	-	-	-	-	-
Current								
Trade receivables	8	-	-	67.31	67.31	-	-	67.31
Cash and cash equivalents	9	-	-	10.25	10.25	-	-	10.25
Other bank balances	10	-	-	2.20	2.20	-	-	2.20
TOTAL		-	-	79.76	79.76			79.76
Financial liabilities								
Non-current								
Borrowings	14	-	-	910.64	910.64	-	-	910.64
Other financial liabilities	15	-	-	490.43	490.43	-	-	490.43
Current								
Borrowings	14	-	-	-	-	-	-	-
Trade payables	17	-	-	227.69	227.69	-	-	227.69
Other current financial liabilities	15	-	-	365.13	365.13	-	-	365.13
TOTAL		-	-	1,993.89	1,993.89			1,993.89

As on 31 March 2022

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Investments	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-	-
Current								
Trade receivables	8	-	-	24.98	24.98	-	-	24.98
Cash and cash equivalents	9	-	-	13.67	13.67	-	-	13.67
Other bank balances	10	-	-	2.09	2.09	-	-	2.09
TOTAL		-	-	40.75	40.75			40.75
Financial liabilities								
Non-current								
Borrowings	14	-	-	315.82	315.82	-	-	315.82
Other financial liabilities	15	-	-	146.37	146.37	-	-	146.37
Current								
Borrowings	14	-	-	-	-	-	-	-
Trade payables	17	-	-	59.71	59.71	-	-	59.71
Other current financial liabilities	15	-	-	97.58	97.58	-	-	97.58
TOTAL		-	-	619.48	619.48			619.48

There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2023 and 31 March 2022.

ESPIRE HOSPITALITY LIMITED**(Formerly Known as Wellesley Corporation Limited)**

Notes forming part of the financial statements for the year ended 31 March 2023

(Rupees in lakhs, except for share data and if otherwise stated)

Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Senior Management. Discussions on valuation and results are held between the Senior Management and valuation team atleast once every quarter in line with the Company's quarterly reporting periods.

b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market Risk - Interest rate

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has authorized respective business Managers to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the business managers periodically to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

30 b. Financial risk management (continued)**(i) Credit risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	67.31	24.98
Cash and cash equivalents	10.25	13.67
Other bank balances other than cash and cash equivalents	2.20	2.09

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

As per Ind AS 109, the Company makes allowance for doubtful trade receivable using simplified approach, significant judgement is used to estimate doubtful accounts as prescribed in IND AS 109. In estimating doubtful accounts historical and anticipated customer performance are considered. Changes in the economy, industry, or specific customer conditions may require adjustments to the allowance for doubtful accounts recorded in financial statements. This is done on the basis of company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Based on the business environment in which the Company operates, management considers that the trade receivables (other than receivables from government departments) are in default (credit impaired) if the payments are more than 365 days past due however the Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 365 days past due and the probability of recovery determined by the competent management.

The Company's exposure to credit risk for trade receivables is as follows:

Particulars	Gross carrying amount	
	As at 31 March 2023	As at 31 March 2022
Less than 6 months	47.69	5.36
6 months -1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	19.62	19.62
	67.31	24.98

* The Company believes that the unimpaired amounts that are past due by more than 1 year are still collectible in full, based on historical payment behaviour.

The Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 365 days past due.

ESPIRE HOSPITALITY LIMITED

(Formerly Known as Wellesley Corporation Limited)

Notes forming part of the financial statements for the year ended 31 March 2023

(Rupees in lakhs, except for share data and if otherwise stated)

Movement in the allowance for impairment in respect of trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	-	-
Impairment loss recognised / (reversed)	-	-
Amount written off	-	-
Balance at the end of the year	-	-

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under credit facilities.

Liquidity risk results from the Company's potential inability to meet the obligations associated with its financial liabilities, for example settlement of financial debt and paying suppliers. The Company's liquidity is managed by Company Treasury. The aim is to ensure effective liquidity management, which primarily involves obtaining sufficient committed credit facilities to ensure adequate financial resources and, to some extent, tapping a range of funding sources.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted, and includes

As at 31 March 2023	Carrying amount	Contractual cash flows				Total
		Less than six months	Between six months and one year	Between one and five years	More than 5 years	
Non derivative financial liabilities						
Borrowings - term loan	910.64	910.64	-	-	-	910.64
Current financial liabilities						
Borrowings - Current maturities of long-term borrowings	-	-	-	-	-	-
Trade payables	227.69	227.69	-	-	-	227.69
	1,138.33	1,138.33	-	-	-	1,138.33

As at 31 March 2022	Carrying amount	Contractual cash flows				Total
		Less than six months	Between six months and one year	Between one and five years	More than 5 years	
Non derivative financial liabilities						
Borrowings - term loan	315.82	315.82	-	-	-	315.82
Current financial liabilities						
Borrowings - Current maturities of long-term borrowings	-	-	-	-	-	-
Trade payables	44.00	44.00	-	-	-	44.00
	359.83	359.83	-	-	-	359.83

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

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(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

A. Interest rate risk

Interest rate risk is the risk that the 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 borrowings with floating interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loan carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

	As at 31 March 2023	As at 31 March 2022
Fixed rate liabilities		
Borrowings	910.64	315.82
	910.64	315.82
Effect of interest rate swaps		
	910.64	315.82
Variable rate liabilities		
Borrowings	-	-
Effect of interest rate swaps	-	-
	-	-
Total	910.64	315.82

Cash flow sensitivity analysis for variable-rate instruments

The Company does not hold any variable rate instruments.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

ESPIRE HOSPITALITY LIMITED

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Notes forming part of the financial statements for the year ended 31 March 2023

(Rupees in lakhs, except for share data and if otherwise stated)

30. c Fair value measurement and financial instruments

Capital Management

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. Management also monitors the return on equity.

The Board of directors regularly review the Company's capital structure in light of the economic conditions, business strategies and future commitments.

For the purpose of the Company's capital management, capital includes issued share capital, securities premium and all other equity reserves. Debt includes term loan

During the financial year ended 31 March 2023, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

Debt equity ratio:

Particulars	As at 31 March 2023	As at 31 March 2022
Long-term borrowings	910.64	315.82
Short-term borrowings	-	-
Adjusted net debt (A)	910.64	315.82
Equity share capital	1,350.04	1,350.04
Other equity	(1,274.77)	(1,297.00)
Total Equity (B)	- 75.27	53.04
Capital and total debt (C)	985.91	368.86
Debt equity ratio (C = A/B)	12.10	5.95

Return on equity:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax	28.24	(7.84)
Average Equity share capital	1,350.04	1,350.04
Average Other equity	(1,274.77)	(1,297.00)
Total equity	75.27	53.04
Average Total equity	64.15	56.93
Return on equity Ratio (%)	0.44	(0.14)



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ESPIRE HOSPITALITY LIMITED
Notes to the Financial Statements for the period ended 31st March,2023
(Rupees in lakhs, except for share data and if otherwise stated)

31 A) Name and Transactions with related parties: -

- i. Key Management Personnel
 1. Mr. Prithvi Raj Singh - Managing Director
 2. Mr. Sumeer Narain Mathur - Company Secretary & Chief Financial Officer
 3. Late Mrs. Sadhana Rai (Legal Heirs of Mrs. Rai) - Promoter

- ii. Enterprises having Significant influence of KMP's
 1. M/s Windsor Infrastructure Limited
 2. Forest Fern Hospitality Private Limited
 3. Forest Fern Resorts Private Limited
 4. Brentwoods International Limited
 5. Farrini Trade-Link Private Limited
 6. Seaweed Marbles Private Limited
 7. Sarp Hotels Private Limited
 8. KJR Developers Private Limited
 9. Shree Govind Hotel and Health Resorts private Limited

B) Name and Transactions with related parties: -

(Amount in ₹ Lakhs)

Sl No.	Name	Relation	Nature of Transaction	Transaction for the year ended 31 st March,2023	Transaction for the year ended 31 st March,2022
1.	Mr. Prithvi Raj Singh	Managing Director	Director Remuneration	NIL	NIL
2.	Mr. Sumeer Narain Mathur	Company Secretary & Chief Financial Officer	Remuneration	11.49	5.10
4	M/s Windsor Infrastructure Limited	Enterprises having Significant influence of KMP's	Loan taken	594.83	315.82
			Consultancy Provided	NIL	11.80
			Expenses Incurred on their behalf	0.07	0.02
			Expenses incurred by them on our behalf	NIL	NIL
5	Forest Fern Hospitality Private Limited	Enterprises having Significant influence of KMP's	Payments received on our behalf from guest	227.26	2.03
			Expenses /payments made on our behalf	93.28	37.49
			Security Deposit Given	20.00	NIL
			Lease Rental	32.23	0.18
6	Forest Fern Resorts Private Limited	Enterprises having Significant influence of KMP's	Payments received on our behalf from guests	20.23	3.58
			Expenses /payments made on our behalf	4.15	NIL
			Security Deposit Given	20.00	NIL

7	Brentwoods International Limited	Enterprises having Significant influence of KMP's	Expenses incurred on our behalf	NIL	1.49
			Expenses Incurred on their behalf	0.38	NIL
8	Farrini Trade-Link Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	0.01	NIL
9	Seaweed Marbles Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	0.02	NIL
10	Sarp Hotels Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	0.19	NIL
11	Kjr Developers Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	0.02	NIL
12	Shree Govind Hotel And Health Resorts private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	0.01	NIL

C) Balance outstanding at the end of the year

Name of the party	Nature of Balance	As on 31.03.2023	As on 31.03.2022
Windsor Infrastructure Limited	Borrowings	(910.64)	(315.82)
Forest Fern Hospitality Private Limited	Payments received on our behalf from guests & Expenses incurred	31.51	(5.70)
Forest Fern Resorts Private Limited	Payments received on our behalf from guests	80.07	3.60
Brentwoods International Limited	Payments received on our behalf from guests	0.87	(0.10)

Negative figures represent payable and positive figure represent recoverable



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ESPIRE HOSPITALITY LIMITED
Notes to the Financial Statements for the period ended 31st March,2023
(Rupees in lakhs, except for share data and if otherwise stated)

32. Segment Reporting

Basis for Segment reporting

Factors used to identify the entity's reportable segments, including the basis of organization

The company is engaged in hospitality business of operating and managing hotels / resorts. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments. The CODM has determined only one operating segment i.e. hospitality business.

Geographical Segments

The geographical segment has been identified on the basis of the location of customers. The total market of the Company can be segregated into domestic market as they do not have any overseas market.

33. Impairment of Non-Financial Assets

All significant assets and cash generating unit were tested for impairment. The recoverable amount of significant assets and cash generating units was found higher than the carrying value. No impairment was identified.

34. Earnings per share (Amount in ₹ Lakhs)

	As on 31.03.2023	As on 31.03.2022
A) No. of Shares at the beginning and at the end of the year	1,35,00,400	1,35,00,400
B) Net Profits after Tax available for Equity Shareholders	28.24	(7.84)
C) Basic & Diluted Earnings per share (Annualized)	0.16	(0.06)

35. Financial Ratios

Financial Ratios

Ratio	Numerator	Denominator	Current period	Previous period	% variance
(a) Current ratio	Current assets	Current liabilities	0.24	0.73	-49%
(b) Debt-equity ratio	Borrowings	Total Equity	12.10	5.95	614%
(c) Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest	Debt service = Interest & Lease Payments + Principal Repayments	5.75	4.33	142%
(d) Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.44	(0.14)	58%
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	12.89	1.20	1169%
(f) Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	40.42	0.17	4025%
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	1.53	1.09	44%
(h) Net capital turnover ratio	Net Sales	Working Capital	(2.26)	(4.06)	181%
(i) Net profit ratio	Net profit (Total Comprehensive Income for the year) Net profit	Net Sales	0.01	(0.03)	5%
(j) Return on capital employed	Earnings before interest and taxes	Capital Employed	0.11	0.04	8%

Note:

Variances are on account of the fact that the Company commenced operations in multiple leasehold resorts during the year.

36. Value of Imports on CIF basis: NIL (Previous. Year Nil)

37. Details of imported and indigenous raw materials, spare parts, and components consumed

Raw Materials: NIL (Previous. Year Nil)

Stores & spares: NIL (Previous Year Nil)

38. Expenditure in foreign currency: NIL (Previous Year Nil).

Earning In Foreign currency: NIL (Previous Year Nil).



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ESPIRE HOSPITALITY LIMITED
Notes to the Financial Statements for the period ended 31st March, 2023
(Rupees in lakhs, except for share data and if otherwise stated)

39. Exceptional items NIL (Previous Year Nil)

40. The Micro and Small Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the information as required to be reported as per Micro, Small and Medium Enterprise Development Act, 2006 as at March 31, 2023 are as under: -

	(Amount in ₹ Lakhs)	
	As on 31.03.2023	As on 31.03.2022
(a) the principal amount and the interest due thereon remaining unpaid to any supplier	25.09	15.70
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day	NIL	NIL
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006:	NIL	NIL
(d) the amount of interest accrued and remaining unpaid at the end of the year	NIL	NIL
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

Also refer note 17

41. The company neither holds any benami property nor any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

42. Gross amount required to be spent on CSR activities during the year is Nil (Previous year Nil).

43. The Company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

44. There is no charge or satisfaction pending for registration with Registrar of Companies beyond the statutory period

45. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022.



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ESPIRE HOSPITALITY LIMITED
Notes to the Financial Statements for the period ended 31st March,2023
(Rupees in lakhs, except for share data and if otherwise stated)

46. 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.
47. The Company does not have any working capital limits through any bank or financial institution.
48. The Company has established a comprehensive system of maintenance of information and documents that are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961.
49. There are no undisclosed incomes that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
50. Previous year's figures have been regrouped / rearranged wherever necessary.

For Bansal & Co LLP
Chartered Accountants
Firm Reg No:001113N/N500079

For Espire Hospitality Limited

Siddharth Bansal
Partner
Membership No:518004

Gagan Oberoi
Director
DIN:00087963

Prithvi Raj Singh
Managing Director
DIN:02876176

Place: New Delhi
Date: 30/05/2023

Sumeer Narain Mathur
CFO, Company Secretary & Compliance Officer
Membership Number: FCS9042D



Form No.MGT-11

Proxy Form

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Act (Management and Administration) Rules, 2014

CIN: L45202UR1991PLC000604

Name of the company: ESPIRE HOSTPITALITY LIMITED

Registered office: **Shop#1, Country Inn, Mehragaon, Bhimtal, Uttarakhand-248179**

Name of the member (s):	
Registered address:	
Email id.	
Folio No/Client id:	
DP ID:	

I /We, being the member(s) of _____ shares of the above named company, hereby appoint:-

1. Name: _____
Address: _____ Email id: _____
Signatures _____, or falling him
2. Name: _____
Address: _____ Email id: _____
Signatures _____ or falling him
3. Name: _____
Address: _____ Email id: _____
Signatures _____ or falling him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the company, to be held on the Saturday, 30th September, 2023 at 10:30 AM at "Country Inn Nature Resorts, Mehragaon, Bhimtal, Uttarakhand-248179, and at the any adjournments thereof in respect of such resolutions as are indicated below:



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Ordinary Business		For	Against
1	Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon		
2	To appoint a director in the place of Mr. Gagan Oberoi (DIN: 00087963) who retires by rotation and being eligible, offers himself for reappointment		
Special Business			
3	To increase Authorised Share Capital of the company from Rs 15 crores to Rs. 25 crores, divided into 2.5 crore shares @10 each		
4	Approval of Related Party Transactions		

Signed this ___ day of _____ 2023

Affix
Revenue
Stamp

Signatures of shareholder _____

Signatures of Proxy holder(s) _____

Note:

1. This form of proxy in order to be effective should be duly completed and Deposited at the Registered office of the Company, not less than 48 hours before the Commencement of the Meeting
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the Thirty First Annual General Meeting.
3. It is optional to put a in the appropriate column against the resolutions indicated above. If you leave "For" or "Against" column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



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Attendance Slip

I, certify that I am registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company on 30th September, 2023 at "**Country Inn Nature Resorts**", **Mehragaon, Bhimtal, Uttarakhand-248179**.

Clint id/Folio Number_____

Signature of attending Member/Proxy_____



ESPIRE HOSPITALITY LIMITED

Registered office: Shop#1, Country Inn Bhimtal, Mehraon, Uttarakhand-248179

www.espirehospitality.com