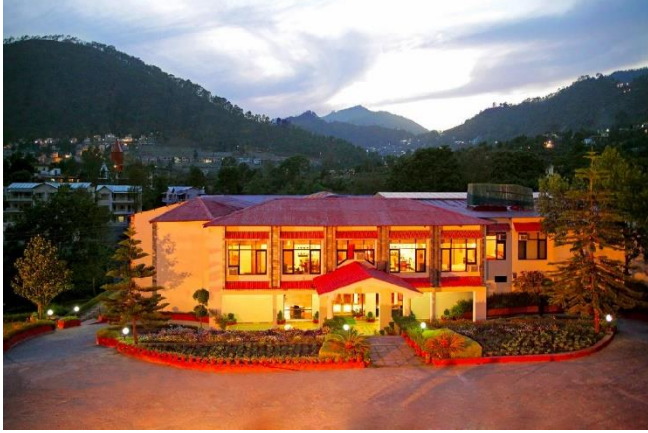


YOUR LEISURE ESCAPES.....



31<sup>ST</sup> ANNUAL REPORT  
FINANCIAL YEAR 2021-22

**Espire Hospitality Limited**  
(Formerly known as Wellesley Corporation Limited)



COUNTRY INN BHIMTAL

COUNTRY INN TARIKA



ZANA LUXURY ESCAPES

COUNTRY INN CORBETT



### 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 known 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.

## Corporate Overview

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Corporate Governance Report - Page no:-32 to 53

Secretarial Audit Report -Page no:-54 to 67

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**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  
Independent Director  
(DIN: 02476376)  
(Reigned w.e.f  
30.7.22)

Mr. Pramod Bhatnagar  
Independent Director  
(DIN: 02269852)

Mr. Dileep Kumar  
Independent Director  
(DIN: 08242564)

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

Mr. Amit Kumar Jain  
Independent Director  
DIN:00334133  
(Appointed w.e.f.  
30.07.2022)

**Corporate  
Information**

**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**  
ICICI BANK  
BANK OF BARODA  
**REGISTERED OFFICE**  
Shop #1, CountryInn  
Mehragaon, Bhimtal  
Uttarakhand-248179

**CORPORATE OFFICE :**  
A 41, Mohan Co-Operative  
Industrial Estate, Mathura  
Road New Delhi 110044

**AUDITORS  
STATUTORY**  
M/s Bansal & Co, LLP  
Chartered Accountants, New  
Delhi

**INTERNAL**  
M/s Kapil Aman &  
Associates, Chartered  
Accountants, Delhi

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

**INVESTOR EMAIL ID**  
[investor@espirehospitality.com](mailto:investor@espirehospitality.com)

**WEBSITE**  
[www.espirehospitality.com](http://www.espirehospitality.com)

**LISTING OF EQUITY  
SHARE**  
**Bombay Stock Exchange (BSE)**  
(Code/Symbol : 532016/ Espire  
) (ISIN:INE176O01011)

**CORPORATE  
IDENTIFICATION  
NUMBER**  
(CIN)L45202UR1991PLC000604

**COMMITTEES OF DIRECTORS**

**AUDIT COMMITTEE**

Mr. Dileep Kumar -Chairman  
Mr. Pramod Bhatnagar -Member  
Mr. Amit Kumar Jain-Member  
(w.e.f 30.07.22)  
Mr. Saurabh Kedia- Member (till  
30.7.22)

**NOMINATION & REMUNERATION  
COMMITTEE**

Mr. Dileep Kumar -Chairman  
Mr. Pramod Bhatnagar -Member  
Mr. Amit Kumar Jain-Member  
(w.e.f 30.07.22)  
Mr. Saurabh Kedia- Member (till  
30.7.22)

**STAKEHOLDERS RELATIONSHIP  
COMMITTEE**

Mr. Dileep Kumar -Chairman  
Mr. Pramod Bhatnagar -Member  
Mr. Amit Kumar Jain-Member  
(w.e.f 30.07.22)  
Mr. Saurabh Kedia- Member (till  
30.7.22)

**RISK MANAGEMENT COMMITTEE**

Mr. Dileep Kumar -Chairman  
Mr. Pramod Bhatnagar -Member  
Mr. Amit Kumar Jain-Member  
(w.e.f 30.07.22)  
Mr. Saurabh Kedia- Member (till  
30.7.22)

**COMMITTEE OF DIRECTORS**

Mr. Dileep Kumar -Chairman  
Mr. Pramod Bhatnagar -Member  
Mr. Amit Kumar Jain-Member  
(w.e.f 30.07.22)  
Mr. Saurabh Kedia- Member (till  
30.7.22)

Mr. Sumeer Narain Mathur  
Company Secretary, Chief Financial Officer  
& Compliance Officer

## NOTICE

**NOTICE is hereby given that the 31<sup>st</sup> Annual General Meeting (AGM) Of Espire Hospitality Limited (Formerly knowns as Wellesley Corporation Limited) ("The Company or EHL") will be held on Friday 30<sup>th</sup> September, 2022 at 10:00 AM Indian Standard Time (IST) at "Country Inn", 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, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Amit Rai (DIN: 00088067) who retires by rotation and being eligible, offers himself for reappointment.

### **SPECIAL BUSINESS:**

3. **Appointment of Mr. Amit Kumar Jain (DIN: 00334133) as an Independent Director of the Company.**

To consider and if thought fit to pass, with or without modification(s), the following resolution as "**ORDINARY RESOLUTION**"

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 30<sup>th</sup> July, 2022 and pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for the appointment of Mr. Amit Kumar Jain (DIN 00334133) who was appointed as an additional director w.e.f. 30.07.2022 in pursuance of Article 60 of the Company and whose current period of office is expiring on the date of the ensuing 31<sup>st</sup> Annual General Meeting and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and is eligible as a Non- Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from 30.07.2022 till 29.07.2027;

**RESOLVED FURTHER THAT** the Board of Directors & the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

4. **APPROVAL OF BORROWING LIMITS OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the members be and is hereby

accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up share capital of the Company and its free reserves and securities premium, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 100 Crores (Rupees One Hundred Crores Only);

**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

## 5. AUTHORISATION FOR LOANS AND INVESTMENTS BY THE COMPANY

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 Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to make or give loans to any persons and/or companies and/or to make investment by acquiring by way of subscription, purchase or otherwise in shares, debentures and/or other securities and to give any Guarantee and/or provide any security in connection with any loans made by any other person to, or to any other person by, any other person(s)/Companies/Body Corporate(s) which shall be subject to the limit of Rs. 100 Crore (Rupees Hundred Crores Only) notwithstanding that the aggregate of the investments and loans so far made or to be made and the guarantees / securities so far given or to be given by the Company exceeds / will exceed the limits prescribed under the Companies Act, 2013 i.e. 60% of the Paid-up Share Capital, Free Reserves and Securities Premium or 100% of the Company’s Free Reserves and Securities Premium whichever is more;

**RESOLVED FURTHER THAT** the aforesaid loans and investment will be made by the Company out of internal resources or borrowings or in such other manner and in such proportion as the Board thinks appropriate and in the case of loans, the interest rate shall not be lower than the prevailing yield of 1 year, 3 year, 5 year or 10 year Government Security closest to the tenor of loan;

**RESOLVED FURTHER THAT** all the directors of the company be and is, hereby severally empowered and authorized to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s)

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of the Company as it may consider appropriate in order to give effect to this Resolution.”

### 6. 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 Forest Fern Resorts Private Limited, M/s Forest Fern Hospitality Private Limited & M/s Sarp Hotels Private Limited entered into on and after 01.07.2022 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.”

**By order of the Board of Directors  
For Espace Hospitality Limited  
(Formerly known as Wellesley Corporation Limited)**

**Sumeer Narain Mathur**  
Company Secretary, Chief Financial Officer & Compliance Officer  
**Membership No:** FCS9042  
**Address:** House No: B-803, Dronagiri Apartment,  
Sector-11, Vasundhara, Ghaziabad-201012  
**Date:** 02<sup>nd</sup> September, 2022  
**Place:** New Delhi

**Notes:**

**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.**

1. 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.
2. Only registered members of the Company holding shares as on the cut-off date decided for the purpose, being 23<sup>rd</sup> September, 2022, 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.
3. 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 02<sup>nd</sup> September, 2022
4. **Voting Rights:** Shareholders holding Equity Shares shall have one vote per share as shown against their holding and shareholders
5. **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).
6. 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.
7. 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.
8. 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.
9. 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.
10. 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



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- identification of membership at the Meeting.
11. 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.
  12. 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](http://www.espirehospitality.com) and on the websites of stock exchange [www.bseindia.com](http://www.bseindia.com). For any communication, the members may send requests to the Company's email Id [cs@espirehospitality.com](mailto:cs@espirehospitality.com)
  13. The Company's Register of Members and Transfer Books will remain closed from 24<sup>th</sup> September,2022 to 02<sup>nd</sup> October,2022 (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 27<sup>th</sup> September,2022 to 17:00 hours of 29<sup>th</sup> September,2022 after this period the event will be no longer available for casting votes by "E-Voting "mechanism.
  14. 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.
  15. 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.
  16. 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.
  17. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agent.
  18. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
  19. 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.
  20. 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.
  21. Mr. Loveneet Handa, Practicing Company Secretary (Membership No.9055), 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.
  22. 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, not later than three days on conclusion of the annual general meeting, 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.
  23. 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](http://www.espirehospitality.com) and on the website of NSDL.

24. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, 30<sup>th</sup> September, 2022
25. 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.
26. The route map of the venue of the Meeting is attached at the end of the Notice for the 31<sup>st</sup> 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%2520Bhimtal>
27. 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.
28. 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.
29. 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
30. Members may please note that no gifts will be distributed at the Meeting.
31. 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. 30<sup>th</sup> September, 2022. Members seeking to inspect such documents can send an email to [cs@espirehospitality.com](mailto:cs@espirehospitality.com).
32. 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

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

The remote e-voting period begins on 27<sup>th</sup> September, 2022 at 09:00 A.M. and ends on 29<sup>th</sup> September, 2022 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. 23<sup>rd</sup> September, 2022 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 02<sup>nd</sup> September, 2022

#### **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 <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the " <b>Beneficial Owner</b> " icon under " <b>Login</b> " which is available under ' <b>IDeAS</b> ' 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 " <b>Access to e-Voting</b> " under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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"> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 40px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>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 <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> </ol>

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	<p>3. If the user is not registered for Easi/Easiest, option to register is available at  <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or callat toll free no.: 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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 demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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](mailto:loveneet@ihacorp.in) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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](http://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](mailto: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 email id – [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [orpallavid@nsdl.co.in](mailto:orpallavid@nsdl.co.in) or [SoniS@nsdl.co.in](mailto: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@espirehospitality.com](mailto:cs@espirehospitality.com)



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**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](mailto: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](mailto: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](mailto: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.

**Item No: 02**

Mr. Amit Rai is 43 year old He is Graduate from Wharton Business School USA He is having rich experience in managerial activities and he is the key decision maker of all the policies. Besides it, he also has a key role in providing corporate structure to the Education business line. He became a director of the company at the AGM held on 10<sup>th</sup> December,2021 He does not hold any shares in the Company. He is related (Son in Law of Ms. Leela Bisht, director of the Company). He does not hold any other directorships and is not part of any committees of the Board. The resolution is recommended for the approval of the shareholders as an ordinary resolution

**Interest of Directors**

Mr Amit Rai & Ms. Leela Bisht are interested in the resolution relating to the Re-appointment of Mr. Amit Rai as a Director of the Company.

**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**

The Board at their meeting held on 30<sup>th</sup> July,2022 on the recommendation of the Nomination and Remuneration Committee & subject to the ratification of his appointment by the shareholders to act as the Director of the company has appointed Mr. Amit Kumar Jain as an Additional, Non Executive Independent Director of the company, as per the provisions of section 161 of the Companies Act,2013, he holds his office as an additional director up to the forthcoming Annual General Meeting.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. Amit Kumar Jain as Director of the Company.

The Company has received intimation in Form DIR-8 from Mr. Amit Kumar Jain, he is not disqualified from being appointed as Director

The resolution seeks the approval of members for the regularization of Mr Amit Kumar Jain as an Independent Director of the Company commencing from 30<sup>th</sup> July,2022 to 29<sup>th</sup> July,2027 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Amit Kumar Jain fulfills the conditions for his appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management. Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Mr. Amit Kumar Jain , the Board of Directors at its meeting held on 30<sup>th</sup> July,2022 approved the appointment of Mr Amit Kumar Jain as mentioned in the resolution.

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Details of the Director seeking re-appointment in the forthcoming Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

### Brief Profile of Mr. Amit Kumar Jain

<b>Name of the Director</b>	Mr. Amit Kumar Jain
<b>Reason for change viz. appointment, resignation, removal, death or otherwise</b>	Regularization of Appointment
<b>Date of appointment &amp; term of appointment</b>	30.07.2022 Appointed as an Additional Director (Non-Executive, Independent Director) of the Company to hold office in terms of Section 161(1) of the Companies Act, 2013.
<b>Age (Years)</b>	48
<b>Brief Resume/ Nature of Expertise in functional areas</b>	Mr. Amit Kumar Jain is a commerce graduate and Chartered Accountant by profession. He is having experience of over 20 years in banking and credit. He has worked with various Banks
<b>Relationship between directors inter se</b>	No relationship
<b>Names of listed entities in which holds the directorship and the membership of Committees of the board;</b>	Nil
<b>Shareholding (Numbers of shares)</b>	Nil

None of the Directors and Key Managerial Personnel of the Company or their respective relatives except Mr. Amit Kumar Jain is concerned or interested in the passing of the Resolution.

### Item No: 04

#### APPROVAL OF BORROWING LIMITS OF THE COMPANY

During the 30<sup>th</sup> Annual General Meeting, the Board of Directors sought the approval of the members of the Company in terms of section 180 (1)(c) of the Companies Act, 2013 for borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs.7.50 Crores (Rupees Seven Crores Fifty Lacs only) at any point of time including interest, charges, etc. payable thereon. However, as the company is looking forward for growing in the Hotels & Resorts segment, the Board of Directors apprehended that more funds will be required to implement the future projects of the company. Accordingly, in their meeting held on 02<sup>nd</sup> September, 2022 they proposed to increase the limits from Rs 7.50 Crores to Rs 100 Crores for smooth operations.

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution.

The Board of Directors be and is hereby authorized to borrow from time to time a sum not exceeding Rs. 100.00 Crores (Rupees One Hundred Crores) for the ongoing projects and the expansion of business activities of the Company and on such terms and conditions as it may deem fit under Section 180(1)(c) of the Companies Act, 2013.

The Directors recommend the Resolution at Item Nos. 04 of the accompanying Notice for the approval of the Members of the Company by way of passing a Special Resolution

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions.

**Item No: 05**

**AUTHORISATION FOR LOANS AND INVESTMENT BY THE COMPANY**

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure , this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors for make or give loans to any persons and/or companies and/or to make investment by acquiring by way of subscription, purchase or otherwise in shares, debentures and/or other securities and to give on behalf of the Company, any Guarantee and/or provide any security in connection with any loans or loans made by any other person to, or to any other person by, any other person(s)/Companies/Body Corporate(s) for an amount not exceeding Rs. 100.00 Crore (Rupees One Hundred Crores Only)

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own/ surplus funds and or any other sources including borrowing, if necessary to achieve long term strategic and business objectives.

The Directors recommend the Resolution at Item Nos. 05 of the accompanying Notice for the approval of the members of the company by way of passing a Special Resolution

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution.

**Item No: 06**

**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 with M/s Windsor Infrastructure Limited, however the Board/ Audit Committee has approved/recommended some other related party transactions w.e.f 01<sup>st</sup> July with M/s Forest Fern Hospitality Private Limited, for taking on lease their Bhimtal Resort on Lease Rent basis (including its renovation ) & with M/s Forest Fern Resorts Private Limited for taking on lease their Jim Corbett resort on Lease Rent basis (including its renovation) and further w.e.f 20<sup>th</sup> July,2022 with M/s Sarp Hotels Private Limited for taking a part of its land (3858.16 Sq Mt) at Mussoorie on lease basis for renovation/redevelopment.

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,

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accordingly there is a need to enhance the value of transactions with M/s Windsor Infrastructure Limited , accordingly they proposed/ approved to enhance it to Rs 100 Crores.

As per the Listing Agreement 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.

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 Forest Fern Hospitality Private Limited	Mr. Amit Rai Mr. Gagan Oberoi	Group Company (Espire Hospitality Group)	Upto Rs 50.00 Crores	The proposed contracts/agreements relates to leasing of Resort by the company on lease rent basis , including the proposed renovations/ redevelopment s of the resorts by the company
2	M/s Forest Fern Hospitality Private Limited	Mr. Amit Rai Mr. Gagan Oberoi	Group Company (Espire Hospitality Group)	Upto Rs 50.00 Crores	The proposed contracts/agreements relates to leasing of its Land at Mussoorie by the company on lease rent basis
3	M/s Forest Fern Hospitality Private Limited	Mr. Amit Rai Mr. Gagan Oberoi	Group Company (Espire Hospitality Group)	Upto Rs 50.00 Crores	Consultancy service, short term working capital requirements
4	M/s Windsor Infrastructure Limited	Mr. Amit Rai Mr. Gagan Oberoi Ms. Leela Bisht	Group Company (Espire Group)	Upto Rs 100.00 Crores	

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The Audit committee and the Board of the Directors of the Company have considered these proposed arrangements and limits at their respective meetings held on 14<sup>th</sup> June,2022, 20<sup>th</sup> July,2022, 02<sup>nd</sup> September,2022 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. 06 for approval of the members of the Company by way of passing a Special Resolution.

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### DIRECTOR'S REPORT

To,  
The Members,  
Espire Hospitality Limited  
(Formerly known as Wellesley Corporation Limited)

Your directors are pleased to present the 31<sup>st</sup> Annual Report together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022

#### I- FINANCIAL HIGHLIGHTS

The highlights of the financial results of the Company for the financial year ended March 31, 2022 are as under: -

Particulars	(Figures in '000)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Revenue from Operations	16916	1075
Other Income	6159	16
<b>Total Revenue</b>	<b>23075</b>	<b>1091</b>
<b>Total Expenses</b>	<b>22748</b>	<b>7505</b>
<b>Profit /loss before Tax Expense</b>	<b>327</b>	<b>(6413)</b>
<b>Less: Tax Expense (Current &amp; Deferred)</b>	<b>1111</b>	<b>116</b>
<b>Profit /loss for the year</b>	<b>(784)</b>	<b>(6529)</b>
<b>Total Comprehensive Income for the period</b>	<b>(780)</b>	<b>(6617)</b>
<b>Shareholders Fund</b>	<b>5304</b>	<b>6083</b>

#### II- REVIEW OF OPERATIONS & BUSINESS

##### KEY FINANCIAL HIGHLIGHTS

The financial year 2021-22 was a happening year for the company. After empathy efforts your company was able to enter into Hotel Business and manage to start running a hotel at Jim Corbett, Ramnagar under the name and Style "Country Inn- Tarika". The total revenue is recorded at Rs 23075 thousands as compared to Rs 1091 thousands in financial year 2020-21. The Company has incurred a net loss of Rs 780 thousands as compared to net loss of Rs 6617 thousands recorded in the last financial year.

Since the company has incurred net loss during the year, no amount is carried to reserves. There was no change in the nature of business of the company.

##### III- FUTURE OUTLOOK

The company is continuously endeavor to grow in the Hotel segment and in the way to achieve it has been looking forward to enter into Hotels & Resorts through lease/management/brand agreements to increase its presence in the Indian Hotels Market, considering this the future prospects can be seen as brighten up. Various new Hotels & Resorts are in pipeline for opening in near future.

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### IV- DIVIDEND

In view of accumulated losses, 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 2021-22, various changes have been taken place in the board/KMP of the company during the year, details thereof are as under:-

Mr. Rajesh Roy (Additional Director)	Resigned w.e.f 12.11.2021
Mr. Vimlesh Kumar (Additional Director)	Resigned w.e.f 30.10.2021
Mr. Chhedi Lal (Additional Director)	Resigned w.e.f 12.11.2021
Mr. Pramod Bhatnagar (Independent Director)	Appointed w.e.f. 11.08.2021
Mr. Dileep Kumar (Independent Director)	Appointed w.e.f. 11.08.2021

Mr. Saurabh Kedia (Independent Director), resigned w.e.f 30.07.2022 and Mr. Amit Kumar Jain was appointed as Non-Executive Independent Director w.e.f 30.07.2022.

### 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. Amit Rai, Director of the Company is liable to retire by rotation at the ensuing AGM.

### VII- 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.

### VIII- 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").

### IX- AUDITORS

#### A-1 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,



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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 (35<sup>th</sup>) 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.

### A-2 AUDITORS REPORT

The Report given by the statutory auditors for the financial year 2021-22 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 2021-22. 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) Due to Adverse financial conditions the listing fees and custodian fees were paid with delay and necessary interest were paid by the company thereon.
- 2) The Company do not have any Chief Financial Officer from 16.04.2021 till 26.09.2021, as the earlier incumbent resigned w.e.f 15.04.2021, however the company has appointed the same incumbent Mr. Sumeer Narain Mathur as its CFO, Company Secretary & Compliance Officer. The company did the compliance well within the time period of 06 months from the resignation of the earlier incumbent.
- 3) The Company has neither received any notice/notification/communication regarding its placing in GSM-0 category nor the company got any replies on the communication sent by the company to BSE during the year under review.
- 4) The Board is of the opinion that the company has been performing in its existing business segments i.e Hotels & Real estate hence doesn't forward any matter to the Risk Management committee for their approval/ review. The Risk management team has been consulted for the routine affairs .
- 5) Quarter ended 30.06.2021, the Nomination and Remuneration Committee Meeting and Stakeholder Relationship Committee dated 29.06.2021 was inadvertently missed to mention due to oversight.
- 6) Quarter ended 30.09.2021, the Audit Committee Meeting dated 29.07.2021 was not inadvertently missed due to oversight
- 7) Certificate of Security for the Quarter ended 30.06.2021 pursuant to Regulation 74 of the SEBI (Depository and Participants) Regulations, 1996 was inadvertently missed and was submitted on 19.07.2021 due to non-availability of any compliance officer

### 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.

### X-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.

## **XI- 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, 2022 till the date of this report.

## **XII- 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.

## **XIII- 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, 2022 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.

## **XIV- 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.

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### **XV- POLICY ON DIRECTORS, KMP& OTHER EMPLOYEES APPOINTMENT**

The company has already having a nomination and remuneration committee to take care of the appointment of Directors, KMP & other employees and determining their qualifications, attributes , independence etc.

### **XVI- 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.

### **XVII- 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.

### **XVIII- 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

### **XIX- 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.

### **XX.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 5<sup>th</sup> 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 2021-22. The details of the evaluation process are set out in the Corporate Governance Report which forms a part of this report.

### **XXI-INFORMATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 4 & 5 OF THE COMPANIES APPOINTMENT & REMUNARATION OF MANAGERIAL PERSONNEL RULES 2014**

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

### **XXII- DETAILS OF SUBSIDIARIES, JOINT VENTURE OR ASSOCIATES ENTERED /CEASED DURING THE YEAR**

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

#### **XXIII- DETAILS OF BOARD MEETINGS**

During the year, ten meetings of Board, four meetings of the Audit Committee, three meetings of the Stakeholders Relationship Committee, and five meetings of Nomination & Remuneration 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.

#### **XXIV 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**

#### **XXV- 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.

#### **XXVI- 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.

#### **XXVII- SECRETARIAL STANDARDS**

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

#### **XXVIII- 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 2020-21 and Notice of the 30th 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 2021-22 and Notice of the 31<sup>st</sup> 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 31<sup>st</sup> 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.

#### **XXIX- 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 2021-22 is uploaded on the website of the Company having following web link [www.espirehospitality.com](http://www.espirehospitality.com)

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### XXX-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.

### XXXI. 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.

### XXXII. 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  
(Formerly known as Wellesley Corporation Limited)**

New Delhi  
Date:02/09/2022

**Managing Director:** Prithvi Raj Singh  
**Din:** 02876176

**Director:** Gagan Oberoi  
**Din:** 00087963

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The management of Espire Hospitality Limited (Formerly known as Wellesley Corporation Limited) is pleased to present its analysis report on the performance and future outlook of your company.

### Industry structure & developments

#### Global Economics

According to the IMF, the world economy recovered strongly in 2021, rising 6.1% from 2020 driven by vaccination drives and opening up of economies. After a strong start to the year, the momentum weakened in the second quarter due to increasing infections from the second wave in emerging and developing markets and supply disruptions. Continued fiscal support in advanced economies and accommodative monetary stance created positive environment for pick up in private investments and consumption. The global trade for goods and services slowly gained momentum as the year progressed and exceeded pre-pandemic levels. However, the inability of supply to keep pace with demand led to shortages of key inputs, leading to an inflationary environment. The world economy weakened towards the end of the year on rising inflation and resurgence of COVID cases in developed economies. The Russia-Ukraine crisis has further aggravated inflationary pressure across the globe.

#### Indian Economics

According to the National Statistical Office's Second Advanced Estimates, India's real GDP grew by 8.9% in FY2022 as compared to a degrowth of 7.3% in FY2021. The economic recovery was derailed by the pandemic's second wave in early FY2022, which overwhelmed the nation's hospital infrastructure. The Government's rapid response along with lockdowns implemented by the State Governments with accelerated vaccinations led to speedy recovery. Vaccination drives were highly successful, leading to higher consumer confidence. However, situation is still not come back to their levels prior to the COVID.

### A WAY FORWARD FOR HOTEL INDUSTRY - POST PANDEMIC

- The increased emphasis on digital channels to establish a distinct online presence is extremely beneficial to business. The epidemic has driven customers to use digital booking mediums after carefully reading online reviews, which eventually influence their booking decisions. Customers are more looking forward for the reviews & ratings before coming to the final decisions
- In the aftermath of the epidemic, guests are more centric to sanitation, safety, and contactless services.
- One of the significant changes brought about by the pandemic is the way people work. Work from home is now a normal phenomenon (A New Normal) of working culture . People now use to visit new locations and managing their official work from that place.

### FINANCIAL AND OPERATING PERFORMANCE

During the year under review the company went into its dream sector- the "Hotel Industry" after commencing its operations in a leased hotel at Jim Corbett, Uttarakhand, under the name and style "Country Inn Tarika". The Hotel become operational in November,2021, despite the outbreak of the second and third waves of the Covid-19 pandemic during the Financial Year the company could able to achieve an attractive revenue in a short span of Five months.

The company has tied-up with M/s Country Inn Private Limited, New Delhi for using their

## Annual Report f.y 2021-22

brand “COUNTRY INN “for the purpose of its mid segment “Hotels & Resorts.”



For the luxury segment the company has developed a new brand with name “ZANA”, the company has opened its Udaipur resort under the name and style “Zana luxury Escapes, Udaipur

The Company being an “ESPIRE GROUP” company, to illustrate to the general public about its group and to depict and emphasis its business of “Hotels and Resorts” has changed its name from Wellesley Corporation Limited to Espire Hospitality Limited vide shareholders resolution passed through postal ballot on 17<sup>th</sup> January,2022. Later on all the Hotel Business of Espire Group has been clubbed in to a separate segment group namely “ESPIRE HOSPITALITY”.

Considering the ongoing COVID impact, the Company has taken various initiatives to protect the health and safety of guests and its employees as per the guidelines of the World Health Organization (WHO).

### FUTURE PROSPECTS

The Company is looking forward for entering into new ventures by taking various hotels on lease /management/ branding basis to increase its presence in the Hotel Industries. As of now the company has following hotels in its kitty: -

- 1) Country Inn Bhimtal , Bhimtal, Uttarakhand
- 2) Country Inn Corbett, Jim Corbett, Ramnagar Uttarakhand
- 3) Country Inn Riverside -Tarika, Jim Corbett, Ramnagar Uttarakhand
- 4) Zana Luxury Escapes, Udaipur
- 5) Country Inn Hall of Heritage, Amritsar

Company’s upcoming Hotels/ Resorts are at Goa, Ranthambore, Dehradun, Vrindavan & Dharamshala.

### Risk & Concerns

Travel segment is more of a leisure than of basic need, ongoing pandemics, change in Global scenario, change in the needs of a common man is a major factor that needs to be taken care. The Risk Management team of the company is continuously endeavor to cater all sorts of Risk associated with the business of the company.

### Segment -wise or product wise performance

The company has two reportable segments for the year under report, Real Estate Sector and Hotel Sector. As per Ind AS-108, necessary disclosures are being made in the segment reporting section in the financials.

### 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 2022, confirmed the adequacy of internal control system of the Company.



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### Discussion on financial performance with respect to operational performance

The Financial Statement for the financial year ended on 31<sup>st</sup> March, 2022 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 23075 thousands in financial year 2021-22 as compared to Rs 1091 thousands in financial year 2020-21. The Company has incurred a net loss of Rs 780 thousands as compared to net loss of Rs 6617 thousands recorded in the last financial year.

### Material Development in Human Resources

The company recognizes the fact that manpower is the most vital resource for any business. Considering the same philosophy, the company offered the employment to all the existing staff of M/s Forest Fern Hospitality Private Limited from which the company has taken on lease the Bhimtal Resort as well as to the staff of M/s Forest Fern Resorts Private Limited from which the company has taken on lease the Corbett Resort.

The company has been trying its best to provided employee friendly working environment with attractive remunerations. The company is now having good strength of Human Resources in its organization.

**For and on behalf of the Board of Directors**

New Delhi  
Date:02/09/2022

**Managing Director:** Prithvi Raj Singh  
**Din:** 02876176



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### CORPORATE GOVERNANCE REPORT

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The corporate governance policy of Espire Hospitality Limited (Formerly known as Wellesley Corporation Limited (EHL)) 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

#### 2. 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, 2022, 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, 2022, 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.	Vivek Singhal*	Non-Executive Independent Director	1	5	0
4.	Leela Bisht	Non-Executive Non-Independent, Director	1	0	0
5.	Amit Rai	Non-Executive Non-Independent, Director	1	0	0
6.	Saurabh Kedia**	Non-Executive Independent Director	1	5	5
7.	Vimlesh Kumar***	Non-Executive Non-Independent, Director	1	0	0
8.	Rajesh Roy****	Non-Executive Non-Independent, Director	1	0	0
9.	Chhedi Lal Yadav*****	Non-Executive Non-Independent, Director	1	0	0
10.	Pramod Bhatnagar*****	Non-Executive Independent Director	1	5	5
11.	Dileep Kumar*****	Non-Executive Independent Director	1	5	0
12.	Amit Kumar Jain*****	Non-Executive Independent Director	1	5	0

\*\*\*\*\* Appointed as Director w.e.f 30.07.2022

\*\*\*\*\* Appointed as Director w.e.f 11.08.2021

\*\*\*\*\* Appointed as Director w.e.f 11.08.2021

\*\*\*\* Resigned w.e.f 12.11.2021

\*\*\*\* Resigned w.e.f 12.11.2021

\*\*\* Resigned w.e.f 30.10.2021

\*\* Resigned w.e.f 30.07.2022

\*Vacation of office w.e.f 24.05.2021 as passed for heavenly adobe.

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 WCL met 09 (Nine) times. The dates of the Board meetings were 29<sup>th</sup> June,2021, 29<sup>th</sup> July,2021, 11<sup>th</sup> August,2021, 26<sup>th</sup> August,2021 , 27<sup>th</sup> September,2021 , 12<sup>th</sup> November,2021, 15<sup>th</sup> December,2021, 05<sup>th</sup> February,2022 & 31<sup>st</sup> March,2022 and one meeting of Independent directors was held on 31<sup>st</sup> March,2021.

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The last Annual General Meeting (AGM) of the Company was held on 10<sup>th</sup> December, 2021.

A table depicting the attendance of Directors at various Board Meetings and the AGM held during financial year 2021-22

S.No	Name of the Director	No of Board Meeting Attended	Attendance at the last AGM
1.	Mr. Amit Rai	8	No
2.	Mr. Gagan Oberoi	9	No
3.	Mr. Prithvi Raj Singh	5	No
4.	Ms. Leela Bisht	5	No
5.	Mr. Saurabh Kedia	9	Yes
6.	Mr. Vimlesh Kumar*	1	No
7.	Mr. Rajesh Roy**	2	No
8.	Mr. Chhedi Lal***	2	No
9.	Mr. Pramod Bhatnagar****	6	No
10.	Mr. Dileep Kumar*****	6	No

\*\*\*\*\* Appointed w.e.f 11.08.2021

\*\*\*\* Appointed w.e.f 11.08.2021

\*\*\* Resigned w.e.f 12.11.2021

\*\* Resigned w.e.f 12.11.2021

\* Resigned w.e.f 30.10.2021

### (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 12.09.2022

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.

### 3. 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 2021-22 and the related attendance detail are provided hereunder.

#### (A) 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 2021-22, the Audit Committee met 06 (Six) times. The dates of the Committee meetings are 29<sup>th</sup> June,2021, 29<sup>th</sup> July,2021 , 11<sup>th</sup> August,2021, 12<sup>th</sup> November,2021, 05<sup>th</sup> February,2022 & 31<sup>st</sup> March, 2022

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 31, 2022 is detailed below:

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Saurabh Kedia	Chairman	6	6
Mr. Gagan Oberoi	Member	3	3
Mr. Vivek Singhal***	Member	0	0
Mr. Pramod Bhatnagar*	Member	3	3
Mr. Dileep Kumar**	Member	3	3

#### Notes:-

\*\*\* Appointed w.e.f 22.01.2021, however due to his demise on 24/05/2021, his office vacates.

\*\* Appointed w.e.f 11.08.2021

\* Appointed w.e.f 11.08.2021

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Audit Committee throughout the year except for the period from 16.04.2021 till 26.09.2021.

## Annual Report f.y 2021-22

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

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. 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;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties; Scrutiny of inter-corporate loans and investments;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. 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
13. Heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;

**(B) 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 03 (three) times on 29<sup>th</sup> June,2021, 11<sup>th</sup> August,2021 and 27<sup>th</sup> September,2021.

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 2021-22 is detailed below:

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Saurabh Kedia	Chairman	3	3
Mr. Gagan Oberoi	Member	2	2
Mr. Vivek Singhal***	Member	0	0
Mr. Pramod Bhatnagar**	Member	1	1
Mr. Dileep Kumar*	Member	1	1

**Notes:-**

\*\*\* Appointed w.e.f 22.01.2021, however due to his demise on 24/05/2021, his office vacates.

\*\* Appointed w.e.f 11.08.2021

\* Appointed w.e.f 11.08.2021

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Nomination and Remuneration Committee throughout the year except for the period from 16.04.2021 till 26.09.2021.

**Terms of reference**

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

1. 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.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. 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.
5. 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.

## Annual Report f.y 2021-22

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

#### 1. 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.

#### 2. Term/Tenure

##### a) 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.

##### b) 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.

#### 3. 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.

#### 4. 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.

## Annual Report f.y 2021-22

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

#### a) 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.

#### b) 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.

#### c) 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.

### 6 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.

### 7 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



## Annual Report f.y 2021-22

### Notes:

1. 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.

### II- 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 5<sup>th</sup> 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.

## Annual Report f.y 2021-22

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.

### (C) 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 2021-22 the Stakeholder Relationship Committee of Directors met three times .The dates of the meetings being 29<sup>th</sup> June,2021, 11<sup>th</sup> August,2011 & 12<sup>th</sup> November,2011 .

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	3	3
Mr. Gagan Oberoi	Member	2	2
Mr. Vivek Singhal***	Member	0	0
Mr. Pramod Bhatnagar**	Member	1	1
Mr. Dileep Kumar*	Member	1	1

#### Notes: -

\*\*\* Appointed w.e.f 22.01.2021, however due to his demise on 24/05/2021, his office vacates.

\*\* Appointed w.e.f 11.08.2021

\* Appointed w.e.f 11.08.2021

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Stakeholders Grievance Committee throughout the year except for the period from 16.04.2021 till 26.09.2021.

### 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.**

### (C) 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 2021-22 is detailed below, however no meeting was held of the committee:

## Annual Report f.y 2021-22

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Saurabh Kedia	Chairman	3	3
Mr. Gagan Oberoi	Member	2	2
Mr. Vivek Singhal***	Member	0	0
Mr. Pramod Bhatnagar**	Member	1	1
Mr. Dileep Kumar*	Member	1	1

**Notes:-**

\*\*\* Appointed w.e.f 22.01.2021, however due to his demise on 24/05/2021, his office vacates.

\*\* Appointed w.e.f 11.08.2021

\* Appointed w.e.f 11.08.2021

### 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 .

### (D) 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	3	3
Mr. Gagan Oberoi	Member	2	2
Mr. Vivek Singhal***	Member	0	0
Mr. Pramod Bhatnagar**	Member	1	1
Mr. Dileep Kumar*	Member	1	1

**Notes:-**

\*\*\* Appointed w.e.f 22.01.2021, however due to his demise on 24/05/2021, his office vacates.

\*\* Appointed w.e.f 11.08.2021

\* Appointed w.e.f 11.08.2021

### 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.

#### **F) Independent Directors**

During the year under report the Independent Directors met once on 31.03.2022.

Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial officer, acts as the Secretary for the meeting of Independent Directors throughout the year except for the period from 16.04.2021 till 26.09.2021 .

#### **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.

## Annual Report f.y 2021-22

### 4. GENERAL BODY MEETINGS

#### (A) Location and time, where last three Annual General Meetings were held:-

Financial Year (ended)	Venue	Date	Time
March,31,2019	Country Inn Hotel & Resorts, Mehragoan Bhimtal-249179, Uttarakhand.	28.08.2019	10:00 A.M
March,31,2020	Country Inn Hotel & Resorts, Mehragoan Bhimtal-249179, Uttarakhand.	15.09.2020	10:00 A.M
March,31,2021	Country Inn Hotel & Resorts, Mehragoan Bhimtal-249179, Uttarakhand.	10.12.2021	10:00 A.M

#### (B) Details of Special Resolution passed in previous three AGMs

Sl No	AGM Number	Date of AGM	Matter covered by Special Resolutions
1	28 <sup>th</sup> AGM	28 <sup>th</sup> August,2019	Special Resolution according consent to appoint Mr Vishnu Gopal Rajgrhia Prakash (DIN:00480125) as the Independent Director of the company after the completion of first term of 5 years for another term of 5 years .
2	30 <sup>th</sup> AGM	10 <sup>th</sup> 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

#### C)Postal Ballot

##### (i) Special resolutions passed through Postal Ballot during the f.y 2021-22

During the financial year 2021-22, a resolution for change in name of the company from Wellesley Corporation Limited to Espire Hospitality Limited was passed by the members of the company on 17<sup>th</sup> January,2022 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.

## **5. 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 by means of uploading the same on the listing portal i.e. [www.listing.bseindia.com](http://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](http://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](http://www.espirehospitality.com)

## **6. GENERAL SHAREHOLDER INFORMATION**

### **(a) Date, Time and Venue of AGM**

<b>DATE:</b> 30 <sup>th</sup> September,2022
<b>TIME:</b> 10:00 AM
<b>VENUE:</b> Country Inn Hotels & Resorts, Mehragaon,Bhimtal,Uttarakhand-248179

**(b) Date of book closure:** From 24<sup>th</sup> September,2022 to 02<sup>nd</sup> October,2022

### **(c) Dividend Payment date**

No dividend is declared during the financial year.

### **(d) Listing on stock Exchanges**

<b>Stock Exchange</b>	<b>Stock Code</b>	<b>ISIN</b>
Bombay Stock Exchange (BSE)	532106	INE176O01011

Listing fees to Bombay Stock Exchange has been paid for the financial year 2022-23.

### **(e) Stock Code/ ISIN:**

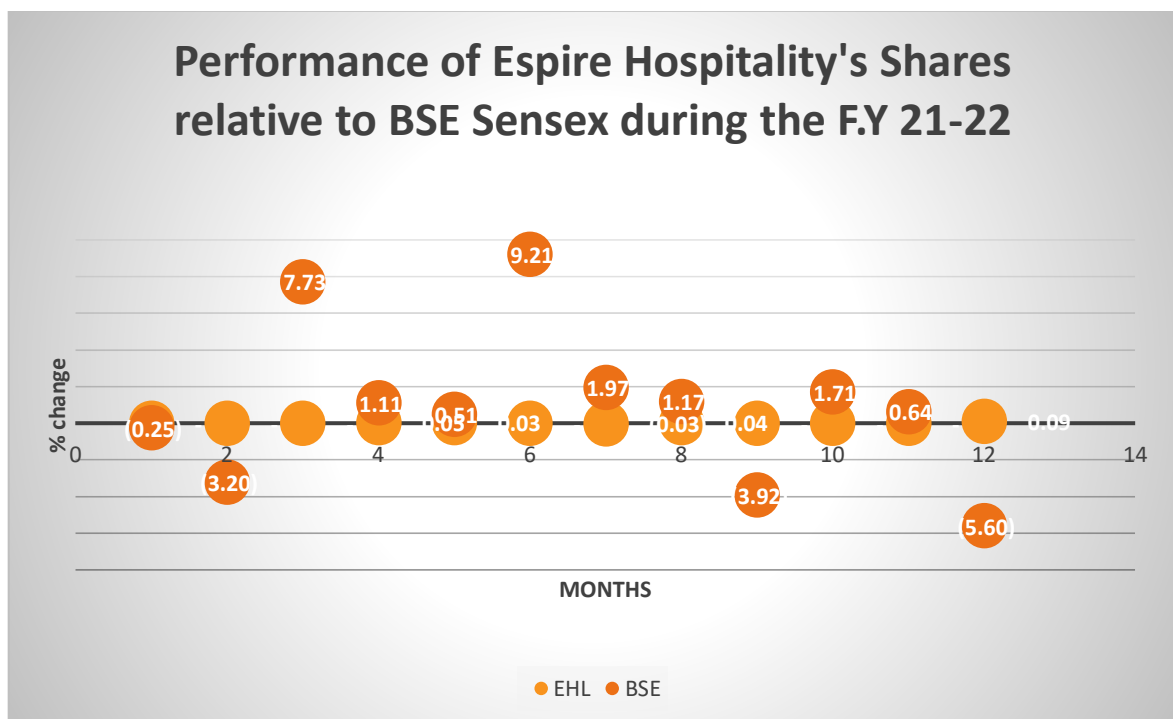
BSE:532016/ ISIN: INE176O01011

## Annual Report f.y 2021-22

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

MONTH	High(Rupees)	Low (Rupees)	Volume
APRIL	6.35	6.35	NIL
MAY	6.35	6.35	NIL
JUNE	6.66	6.66	101
JULY	6.90	6.90	1,375
AUG	6.90	6.90	NIL
SEPT	7.05	6.70	31
OCT	7.00	6.70	12
NOV	7.00	7.00	NIL
DEC	7.00	7.00	NIL
JAN	7.00	7.00	NIL
FEB	7.71	7.00	2,750
MARCH	7.71	7.71	NIL

### (g) Performance Comparison to broad bases indices BSE sensx.



### (h) Registrar & Transfer Agent

M/s. Skyline Financial Services Private Limited (Unit- Wellesley Corporation Limited)

D-153A, Ist 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](mailto:admin@skylinerta.com)

### (i) Share Transfer System

**Annual Report f.y 2021-22**

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.

**(j) Distribution of shareholding as on March 31,2022**

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	1799	90.72	2352380.00	1.74
5001 To 10,000	128	6.45	1179600.00	0.87
10001 To 20,000	15	0.76	242500.00	0.18
20001 To 30,000	9	0.45	214000.00	0.16
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	384000.00	0.28
1,00,000 and Above	24	1.21	130525520.00	96.68
<b>Total</b>	<b>1983</b>	<b>100.00</b>	<b>135004000.00</b>	<b>100.00</b>

**(k) 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, 2022, 84.99% Equity shares of the Company representing **1,14,74,000** shares out of a total of **1,35,00,400** Equity shares, were held in dematerialized form and the balance **20,26,400** shares were held in physical form. Depository fees have been paid to NSDL & CDSL for the financial year 2022-23.

**(l) 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.

**(m) Address for Investor's correspondence:**

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



## Annual Report f.y 2021-22

### (n) Details of directors seeking appointment or reappointment: -

Mr. Amit Rai, 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. Amit Rai is given below:

Mr. Amit Rai is 43-year-old He is Graduate from Wharton Business School USA He is having rich experience in managerial activities and he is the key decision maker of all the policies. Besides it, he also has a key role in providing corporate structure to the Education business line. He became a director of the company at the AGM held on 10<sup>th</sup> December, 2022 He does not hold any shares in the Company. He is related (Son in Law of Ms. Leela Bisht, director of the Company). He does not hold any other directorships and is not part of any committees of the Board. The resolution is recommended for the approval of the shareholders

## 7) DISCLOSURE

### (i) Materially Significant Related Party Transaction

There has been no materially significant related party transaction.

### (ii) Significant and Material Orders passed by the Regulators or Courts

The Company has changed its name from Wellesley Corporation Limited to Espire Hospitality Limited, vide ROC order (Certificate of Incorporation pursuant to change of name) dated 03.02.2022

### (iii) 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. 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(in Rs.)	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) - CorporateGovernance	1,38,000/-	1,38,000/-	N.A
Sep-20	31 - ShareholdingPattern	1,26,000/-	1,26,000/-	N.A
Sep-20	33 - FinancialResults	1,75,000/-	1,75,000/-	N.A
Jun-20	27(2) - CorporateGovernance	3,22,000/-	1,54,000/-	1,68,000/-
Jun-20	31 - ShareholdingPattern	3,10,000/-	1,42,000/-	1,68,000/-
Jun-20	33 - FinancialResults	4,90,000/-	75,000/-	4,15,000/-



## Annual Report f.y 2021-22

**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 2022-23
- (ii) The company has formulated a "WCL 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.

### **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, 2022

**For and on behalf of the Board of Directors  
Espire Hospitality Limited  
(Formerly known as Wellesley Corporation Limited)**

**Prithvi Raj Singh**  
Managing Director  
DIN: 02876176

Place: New Delhi  
Date: 02<sup>nd</sup> September, 2022

## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

**THE MEMBERS OF ESPIRE HOSPITALITY LIMITED**

**(FORMERLY KNOWN AS WELLESLEY CORPORATION LIMITED)**

1. We have examined the compliance of regulations of Corporate Governance by Espire Hospitality Limited (Formerly known as Wellesley Corporation Limited) ('the Company') for the year ended March 31,2022 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 31,2022. 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



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**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: 02/09/2022  
Place: New Delhi

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

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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**  
**(Formerly known as Wellesley Corporation 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 (Formerly known as Wellesley Corporation Limited), certify to the Board that:

- a) I have reviewed financial statements and the cash flow statement for the year ended 31.03.2022 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 violative 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



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- 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  
(Formerly known as Wellesley Corporation Limited)

New Delhi  
Date:02.09.2022

**Prithvi Raj Singh** Managing Director  
**DIN:** 02876176

FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2022  
[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, Uttarakhand-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 **31<sup>st</sup> March, 2022** 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 **31<sup>st</sup> March, 2022** 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'):-
  - (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 31.03.2021 was submitted on 21.06.2021 and for the quarter ended as on 30.09.2021 was submitted on 06.10.2021.*

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- (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,



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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. Late payment of listing fees to BSE and custodian fees to CDSL/NSDL.
2. The Company did not have the Chief Financial Officer for the period from 16.04.2021 to 26.09.2021, hence for the Quarter ended 31.03.2021 and 30.06.2021, the Compliance Certificate pursuant to Regulation 17(8) was not submitted.
3. BSE vide its notification dated 23rd February, 2017 has placed the securities of the company (Script Code/Symbol: 532016/Wellesley) into Graded Surveillance Measure (GSM) at its stage-0. Since then neither the securities were removed from the surveillance nor has the same been moved to any other stage of GSM. Further the company has not received any clarification/query from Bombay Stock Exchange or SEBI with regard to trading of our securities at BSE. The status of the Securities of the company listed at the Bombay Stock Exchange (BSE) continues to be same as on the date of the Report.
4. The Company has not held any Risk Management Committee Meeting during the year under review in contravention of the Regulation 21.
5. In the Audit Committee due to casual vacancy arising by death of Mr. Vivek Singhal on 24.05.2021, there were only two members and one Independent Director for the period from 24.05.2021 till 10.08.2021. Pursuant to Regulation 18(2)(b) of the SEBI(LODR) Regulations, 2015 read with Schedule IV of the Companies Act, 2013, for Audit Committee Meeting, the Quorum shall be either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors and the Company has 3 months to fill the vacancy arising from such vacancy. *In Audit Committee Meetings held on 29.06.2021, 29.07.2021 and, 11.08.2021 respectively, there were only 2 members as quorum including one independent director.*
6. In the Corporate Governance Report for: -
  - i) Quarter ended 30.06.2021, the Nomination and Remuneration Committee Meeting and Stakeholder Relationship Committee dated 29.06.2021 was not mentioned; and
  - ii) Quarter ended 30.09.2021, the Audit Committee Meeting dated 29.07.2021 was not mentioned.
7. BSE vide its email dated 22.11.2021 has imposed a monetary fine for non-compliance of Regulation 6(1) i.e. appointment of Company Secretary as Compliance Officer and Regulation 17(1) of the SEBI (LODR) Regulations, 2015. In reply of which the company has submitted letter dated 08.10.2021 and 23.11.2021 giving clarification for such non-compliance and requested for waiver of fines levied considering the fact bad financial position and good track record of the company in compliance matters regarding LODR and SEBI Regulations and imposing penalty on the company will do more harm to it than doing any good. As per the Management Representation Letter, no further reply from the BSE in respect to this penalty imposition is received to the Company.
8. Certificate of Security for the Quarter ended 30.06.2021 pursuant to Regulation 74 of the SEBI (Depository and Participants) Regulations, 1996 was submitted on 19.07.2021.

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 at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive

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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 shall constitute an Audit Committee with proper balance of 3 Directors having majority of Directors as Independent Directors. The Constitution of the Audit 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 shall constitute a Nomination & Remuneration Committee with proper balance of 3 Non-Executive Directors out of which 2 are 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 read with Regulation 20 of SEBI (LODR) Regulations, 2015, the company having more than 1000 security holders shall constitute Stakeholder Relationship Committee with 3 Non-Executive Directors with at least are 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 members including at least one independent director. The Constitution of the committee is annexed herewith and marked as **Annexure-5**

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.

**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.

**We further report that** during the audit period the company has:

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- (i) Obtained approval of members in the meeting dated 17.01.2022 for change of name of the Company from Wellesley Corporation Limited to Espire Hospitality Limited and also obtained the approval of the Registrar of Companies, Uttarakhand. The new Certificate of Incorporation was issued on 03.02.2022 by the Registrar of Companies, Uttarakhand and the same was informed to the Stock Exchange through application dated 04.02.2022 along with other documents required by the concern stock exchange;

For RSH and Associates  
Company Secretaries

Loveneet Handa  
Membership No: 9055  
COP: 10753  
UDIN: F009055D000374631  
Peer Review Certificate No.: 1719/2022

**Date: 24.05.2022**

**Place: Delhi**

**ANNEXURE-1**

**COMPOSITION OF BOARD OF DIRECTORS AS ON 01<sup>ST</sup> APRIL, 2021**

S. NO.	NAME OF DIRECTOR	DIN	DESIGNATION	DATE OF APPOINTMENT
1	Mr. Rajesh Roy	08897178	Non-Executive Non-Independent Director	01.10.2020
2	Mr. Vimlesh Kumar	08892911	Non-Executive Non-Independent Director	01.10.2020
3	*Mr. Chhedi Lal Yadav	08915429	Non-Executive Non-Independent Director	20.10.2020
4	Mr. Prithvi Raj Singh	02876176	Managing Director Executive Director	22.01.2021
5	Mr. Amit Rai	00088067	Non-Executive Non-Independent Director	22.01.2021
6	Mr. Gagan Oberoi	00087963	Non-Executive Non-Independent Director	22.01.2021
7	Ms. Leela Bisht	07172417	Non-Executive Non-Independent Director	22.01.2021
8	Mr. Vivek Singhal	07889648	Independent Director	22.01.2021
9	Mr. Saurabh Kedia	02476376	Independent Director	06.07.2019

**KEY MANAGERIAL PERSONNEL AS ON 01<sup>ST</sup> APRIL, 2021**

S.NO.	NAME	PAN	DESIGNATION
1	Mr. Sumeer Narain Mathur	ALFPM7227D	Company Secretary and Chief Financial Officer

\*Mr. Chhedi Lal was appointed w.e.f. 02.11.2021 as can be seen from the minutes of the meeting board/ Nomination & Remuneration Committee. However due to clerical mistake the date of his appointment was punched in DIR-12 as 20.10.2020.

As per Section 203, the company was required to appoint Managing Director, Company Secretary and Chief Financial Officer. The Company has complied with the requirement of having adequate Key Managerial Personnel in the Board.

*However as per Section 149(4) of the Companies Act, 2013 the company must have 1/3rd of total number of directors as Independent Directors on board but the company was having only 2 Independent Director on the Board. Hence at the beginning of the financial year, the company has contravened the provisions of Section 149(4) of Companies Act, 2013.*

**CHANGES IN THE BOARD COMPOSITION AND KEY MANAGERIAL PERSONNEL BY THE WAY OF APPOINTMENT/RESIGNATION DURING THE FINANCIAL YEAR**

S. NO.	NAME OF DIRECTOR	DIN/PAN	KIND OF CHANGE	DESIGNATION	DATE OF CHANGE
1	Mr. Sumeer Narain Mathur	ALFPM7227D	Resignation u/s 203	Company Secretary and Chief Financial Officer	15.04.2021
2	Mr. Vivek Singhal	07889648	Cessation due to Death	Independent Director	24.05.2021
3	Mr. Dileep Kumar	08242564	Appointment u/s 161	Independent Director	11.08.2021
4	Mr. Pramod Bhatnagar	02269852	Appointment u/s 161	Independent Director	11.08.2021
5	Mr. Sumeer Narain Mathur	ALFPM7227D	Appointment u/s 203	Company Secretary and Chief Financial Officer	27.09.2021
6	Mr. Vimlesh Kumar	08892911	Resignation u/s 168	Non-Executive Non-Independent Director	30.10.2021
7	Mr. Rajesh Roy	08897178	Resignation u/s 168	Non-Executive Non-Independent Director	12.11.2021
8	Mr. Chhedi Lal Yadav	08915429	Resignation u/s 168	Non-Executive Non-Independent Director	12.11.2021

**Compliance in Respect of Independent Director:**

1. Mr. Vivek Singhal, Independent Director ceased from the post on 24.05.2021 due to death and the vacant position was filled up by the Company within 3 months. Mr. Pramod Bhatnagar was appointed as Independent Director on 11.08.2021.

2. Mr. Dileep Kumar was appointed as Independent Director w.e.f. 11.08.2021.

The Company has only 2 (Two) **Independent Directors** from **01.04.2021 to 23.05.2021** and only 1 (One) Independent Director from **24.05.2021 to 10.08.2021** which is not as per Section 149 of the Companies Act, 2013.

**Compliance in Respect of Company Secretary and Chief Financial Officer:**

The Company Secretary (CS) and Chief Financial Officer (CFO) has resigned w.e.f. 15<sup>th</sup> April, 2021 and as per Section 203(4) the company need to fill the vacancy so arised within a period of Six (6) Months and the appointment of Company Secretary and Chief Financial Officer has been made on 27<sup>th</sup> September, 2021 hence the company has complied with the provisions of Section 203(4) of the Act.

**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 10.12.2021, the Composition of Board include Managing Director, Additional Director and Independent Director. Hence, the provisions of Section 152(6) was not applicable on the Company.**

**COMPOSITION OF BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AS ON 31<sup>ST</sup> MARCH, 2022**

S.NO.	NAME OF DIRECTOR	DIN/PAN	DESIGNATION
1	Mr. Prithvi Raj Singh	02876176	Managing Director Executive Director
2	Mr. Amit Rai	00088067	Non-Executive Non-Independent Director
3	Mr. Gagan Oberoi	00087963	Non-Executive Non-Independent Director
4	Ms. Leela Bisht	07172417	Non-Executive Non-Independent Director
5	Mr. Saurabh Kedia	02476376	Independent Director
6	Mr. Dileep Kumar	08242564	Independent Director
7	Mr. Pramod Bhatnagar	02269852	Independent Director
8	Mr. Sumeer Narain Mathur	ALFPM7227D	Company Secretary and Chief Financial Officer

*At the closure of the financial year, the company have 3 Independent Directors on the Board. Hence at the closure of the financial year, the company has complied with the provisions of Section 149 of the Companies Act, 2013.*

**ANNEXURE-2**

**AUDIT COMMITTEE COMPOSITION AS ON 01<sup>ST</sup> APRIL, 2021**

S.NO.	NAME OF DIRECTORS	DIN	DESIGNATION IN COMPANY	DESIGNATION IN COMMITTEE
1	Mr. Saurabh Kedia	02476376	Non-Executive Independent Director	Chairperson
2	Mr. Vivek Singhal	07889648	Non-Executive Independent Director	Member
3	Mr. Gagan Oberoi	00087963	Non-Executive Non-Independent Director	Member

During the year under audit following changes were made in the Composition of Audit Committee

- Mr. Vivek Singhal was ceased from the post on 24.05.2021 due to death and his vacant post was filed by appointment of Mr. Pramod Bhatnagar on 11.08.2021.
- Mr. Dileep Kumar was appointed as Independent Director w.e.f. 11.08.2021 and added in the Committee by the board of directors.
- The Board reconstituted the Audit Committee in the meeting held on 11.08.2021

The Composition of Audit Committee at the beginning of the Financial Year was as per Section 177 of the Companies Act, 2013 i.e. minimum 3 members with independent directors forming majority. However, on cessation of Mr. Vivek Singhal, there was only one independent Director and Two members in the Audit Committee from the period 24.05.2021 till 10.08.2021 in contravention of the provisions of the Section 177 of the Companies Act, 2013.

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**AUDIT COMMITTEE COMPOSITION AS ON 31<sup>ST</sup> MARCH, 2022**

S.NO.	NAME OF DIRECTORS	DIN	DESIGNATION IN COMPANY	DESIGNATION IN COMMITTEE
1	Mr. Saurabh Kedia	02476376	Non-Executive Independent Director	Chairperson
2	Mr. Pramod Bhatnagar	02269852	Non-Executive Independent Director	Member
3	Mr. Dileep Kumar	08242564	Non-Executive Independent Director	Member

At the closure of the financial year, the committee consists of minimum 3 members consisting majority of Independent Director, hence the composition was as per the Act.

**ANNEXURE-3**

**NOMINATION & REMUNERATION COMMITTEE AS ON 01<sup>ST</sup> APRIL, 2021**

S.NO.	NAME OF DIRECTORS	DIN	DESIGNATION IN COMPANY	DESIGNATION IN COMMITTEE
1	Mr. Saurabh Kedia	02476376	Non-Executive Independent Director	Chairperson
2	Mr. Vivek Singhal	07889648	Non-Executive Independent Director	Member
3	Mr. Gagan Oberoi	00087963	Non-Executive Non-Independent Director	Member

During the year under audit following changes were made in the Composition of Nomination and Remuneration Committee

- Mr. Vivek Singhal was ceased from the post on 24.05.2021 due to death and his vacant post was filed by appointment of Mr. Pramod Bhatnagar on 11.08.2021.
- Mr. Dileep Kumar was appointed as Independent Director w.e.f. 11.08.2021 and added in the Committee by the board of directors.
- The Board reconstituted the Nomination and Remuneration Committee in the meeting held on 11.08.2021

The Composition of Nomination and Remuneration Committee at the beginning of the Financial Year was as per Section 178 of the Companies Act, 2013 i.e. minimum 3 non-executive directors as members out of which not less than one-half shall be independent directors. However, on cessation of Mr. Vivek Singhal, there was only one independent Director and Two members in the Nomination and Remuneration Committee from the period 24.05.2021 till 10.08.2021 in contravention of the provisions of the Section 178 of the Companies Act, 2013.

**NOMINATION AND REMUNERATION COMMITTEE COMPOSITION AS ON 31<sup>ST</sup> MARCH, 2022**

S.NO.	NAME OF DIRECTORS	DIN	DESIGNATION IN COMPANY	DESIGNATION IN COMMITTEE
1	Mr. Saurabh Kedia	02476376	Non-Executive Independent Director	Chairperson
2	Mr. Pramod Bhatnagar	02269852	Non-Executive Independent Director	Member
3	Mr. Dileep Kumar	08242564	Non-Executive	Member

			Independent Director	
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At the closure of the financial year, the committee consists of minimum 3 members consisting with not less than one-half shall be independent directors, hence the composition was as per the Act.

**ANNEXURE-4**

**STAKEHOLDER RELATIONSHIP COMMITTEE AS ON 01<sup>ST</sup> APRIL, 2021**

S.NO.	NAME OF DIRECTORS	DIN	DESIGNATION IN COMPANY	DESIGNATION IN COMMITTEE
1	Mr. Saurabh Kedia	02476376	Non-Executive Independent Director	Chairperson
2	Mr. Vivek Singhal	07889648	Non-Executive Independent Director	Member
3	Mr. Gagan Oberoi	00087963	Non-Executive Non-Independent Director	Member

During the year under audit following changes were made in the Composition of Stakeholder Relationship Committee

- Mr. Vivek Singhal was ceased from the post on 24.05.2021 due to death and his vacant post was filed by appointment of Mr. Pramod Bhatnagar on 11.08.2021.
- Mr. Dileep Kumar was appointed as Independent Director w.e.f. 11.08.2021 and added in the Committee by the board of directors.
- The Board reconstituted the Stakeholder Committee in the meeting held on 11.08.2021

The Composition of Stakeholder Committee at the beginning of the Financial Year was as per Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015 i.e. minimum 3 directors with atleast one independent director. However, on cessation of Mr. Vivek Singhal, there was only one independent Director and Two members in the Stakeholder Committee from the period 24.05.2021 till 10.08.2021 in contravention of the provisions of earlier mentioned act and regulations.

**STAKEHOLDER RELATIONSHIP COMMITTEE COMPOSITION AS ON 31<sup>ST</sup> MARCH, 2022**

S.NO.	NAME OF DIRECTORS	DIN	DESIGNATION IN COMPANY	DESIGNATION IN COMMITTEE
1	Mr. Saurabh Kedia	02476376	Non-Executive Independent Director	Chairperson
2	Mr. Pramod Bhatnagar	02269852	Non-Executive Independent Director	Member
3	Mr. Dileep Kumar	08242564	Non-Executive Independent Director	Member

At the closure of the financial year, the Company has complied with the composition of the Stakeholders Relationship Committee was as per the regulations and acts.



RISK MANAGEMENT COMMITTEE AS ON 01<sup>ST</sup> APRIL, 2021

S.NO.	NAME OF DIRECTORS	DIN	DESIGNATION IN COMPANY	DESIGNATION IN COMMITTEE
1	Mr. Saurabh Kedia	02476376	Non-Executive Independent Director	Chairperson
2	Mr. Vivek Singhal	07889648	Non-Executive Independent Director	Member
3	Mr. Gagan Oberoi	00087963	Non-Executive Non-Independent Director	Member

During the year under audit following changes were made in the Composition of Risk Management Committee

- Mr. Vivek Singhal was ceased from the post on 24.05.2021 due to death and his vacant post was filed by appointment of Mr. Pramod Bhatnagar on 11.08.2021.
- Mr. Dileep Kumar was appointed as Independent Director w.e.f. 11.08.2021 and added in the Committee by the board of directors.
- The Board reconstituted the Risk Management Committee in the meeting held on 11.08.2021

The Composition of Risk Management Committee at the beginning of the Financial Year was as per Regulation 21 of SEBI (LODR) Regulations, 2015 i.e. minimum 3 members with at least one independent director. However, on cessation of Mr. Vivek Singhal, there were only two members in the Risk Management Committee from the period 24.05.2021 till 10.08.2021 in contravention of the provisions of SEBI (LODR) Regulations, 2015.

RISK MANAGEMENT COMMITTEE COMPOSITION AS ON 31<sup>ST</sup> MARCH, 2022

S.NO.	NAME OF DIRECTORS	DIN	DESIGNATION IN COMPANY	DESIGNATION IN COMMITTEE
1	Mr. Saurabh Kedia	02476376	Non-Executive Independent Director	Chairperson
2	Mr. Pramod Bhatnagar	02269852	Non-Executive Independent Director	Member
3	Mr. Dileep Kumar	08242564	Non-Executive Independent Director	Member

At the closure of the financial year, the Company has complied with the composition of the Risk Management Committee as per the regulations and acts.

\*\*\*\*\*

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  
(Earlier known as Wellesley Corporation Limited)  
Shop No. 01 Country Inn, Mehragaon Bhimtal,  
Nainital, Utrakhand-248179

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

1. 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.
2. 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.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. 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.
6. 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 RSH and Associates  
Company Secretaries

Loveneet Handa  
Membership No: 9055  
COP: 10753  
UDIN: F009055D000374631  
Peer Review Certificate No.: 1719/2022

**Date: 24.05.2022**  
**Place: Delhi**

**Annual Report f.y 2021-22**

**Annexure: 4**

**DISCLOSURE PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 4 & 5 OF THE COMPANIES APPOINTMENT & REMUNERATION 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 31.03.2022 ,54 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,2022	31st March, 2021
		a)Market Capitalization	10,40,88,084	8,57,27,540
		b)PE ratio c)Increase over last public offer	- NIL	- NIL
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 NIL whereas revenue increased by 2015%		
J	The key parameters any for variable component of remuneration availed by 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		
K	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes the remuneration is as per Company's policy		

<b>PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1) OF THE COMPANIES ACT, 2013</b>	
<b>Form No. AOC -2</b>	
<b>(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)</b>	
<b>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</b>	
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 31,2022</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 31,2022, details thereof are as under:-</p> <ol style="list-style-type: none"> <li>1) Mr. Sumeer Narain Mathur, CS,CFO &amp; Compliance officer- Remuneration</li> <li>2) M/s Windsor Infrastructure Limited- Short term borrowing of Rs 3.15 Crores</li> <li>3) M/s Windsor Infrastructure Limited - Consultancy Services provided of Rs 10 Lacs</li> </ol>

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### 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 2022, 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, 2022 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.

#### 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.

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

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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**

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

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.

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.

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.

In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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.

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:

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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.

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:

The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

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.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(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;

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;

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.

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: 22518004AJXKYY9871

Place of Signature: New Delhi Date: May 30, 2022



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### **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, 2022 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:

Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

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

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, 2022, 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: 22518004AJXKYY9871

Place of Signature: New Delhi Date: May 30, 2022

## Annual Report f.y 2021-22

### 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:

In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

(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.

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.

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

The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.

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, 2022 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 at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in aggregate.

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.

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.

According to the information and explanations given to us and on the basis on our examination of the

## Annual Report f.y 2021-22

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.

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.

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.

(a) The company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to 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.

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.

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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.

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.

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.

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.

(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.

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

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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.

As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

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.

(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.

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.

(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.

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.

The Company is not a core investment company. Therefore, Provisions of the clause 3(xvi)(c) of the order is not applicable.

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.

The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

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 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.

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(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.

The Company does not have any subsidiary / associate or joint venture and accordingly requirement to report on Clause 3(xxi) 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: 22518004AJXKYY9871

Place of Signature: Delhi

Date: May 30, 2022



**ESPIRE HOSPITALITY LIMITED**  
(Formerly Known as Wellesley Corporation Limited)  
Balance Sheet as at March 31,2022

(Amount in ₹ '000)

	Particulars	Note No	As at 31 March 2022	As at 31 March 2021
<b>I.</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non Current Assets</b>			
	(a) Property Plant & Equipment	2	33,301	-
	(b) Other Intangible assets	3	199	143
	(c) Deferred tax assets (Net)	4	-	1,037
	(d) Other non-current assets	5	26,228	-
	<b>Total non current assets</b>		<b>59,728</b>	<b>1,180</b>
<b>(2)</b>	<b>Current Assets</b>			
	(a) Inventories	6	2,957	-
	(b) Financial Assets			
	i) Trade receivables	7	2,498	2,020
	ii) Cash and cash equivalents	8	1,367	120
	iii) Bank Balances other than (ii)above	9	209	199
	(c) Other current assets			
	i) Other Advances	10	6,185	2,762
	<b>Total Current assets</b>		<b>13,216</b>	<b>5,101</b>
	<b>Total Assets</b>		<b>72,945</b>	<b>6,281</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
	(a)Equity Share Capital	11	1,35,004	1,35,004
	(b)Other Equity	12	(1,29,700)	(1,28,921)
	<b>Total Equity</b>		<b>5,304</b>	<b>6,083</b>
	<b>LIABILITIES</b>			
<b>(1)</b>	<b>Non Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	13	31,582	-
	(ii) Other financial liabilities	14	14,637	-
	(b) Deferred Tax Liability (Net)	4	74	-
	(c) Provisions	15	298	18
	<b>Total non-Current liabilities</b>		<b>46,591</b>	<b>18</b>
<b>(2)</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Other financial liabilities	14	9,758	-
	(b) Trade Payables	16		
	(A) total outstanding dues of micro enterprises and small enterprises; and		1,570	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		4,400	-
	(c) Other current liabilities	17	5,300	179
	(d) Provisions	18	22	1
	<b>Total current liabilities</b>		<b>21,050</b>	<b>180</b>
	<b>Total Equity and Liabilities</b>		<b>72,945</b>	<b>6,281</b>

See accompanying notes to the financial statements

1

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

Siddharth Bansal  
**Partner**  
M No:518004  
Place:New Delhi  
Date:30/05/2022

(Prithvi Raj Singh)  
**Managing Director**  
DIN: 02876176

(Sumeer Narain Mathur)

CFO, Company Secretary & Compliance Officer  
Membership No:FCS9042



**ESPIRE HOSPITALITY LIMITED**

**(Formerly Known as Wellesley Corporation Limited)**

Notes forming part of Financial Statements for the year ended March 31,2022

(Amount in ₹ '000)

	Real Estate	Hotels & Resorts	Unallocated	Total
<b>Segment Revenue</b>				
Revenue from operations	1,000	15,916	-	16,916
Other Income	6,151	8	-	6,159
<b>Total Income(I + II)</b>	<b>7,151</b>	<b>15,924</b>	<b>-</b>	<b>23,075</b>
<b>Segment Expenses</b>				
Cost of Materials Purchased	-	6,507	-	6,507
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	-	(2,957)	-	(2,957)
Employee benefits expense	-	4,412	3,805	8,216
Finance Costs	-	-	1,042	1,042
Depreciation and amortization expense	-	2,840	287	3,127
Other expenses	98	4,584	2,131	6,813
<b>Total expenses (IV)</b>	<b>98</b>	<b>15,385</b>	<b>7,265</b>	<b>22,748</b>
<b>Profit/(loss) before Exceptional items and tax(I- IV)</b>	<b>7,053</b>	<b>539</b>	<b>(7,265)</b>	<b>327</b>

**Other Information**

Segment Assets	9,289	62,288	1,367	72,945
Segment Liabilities	9,289	62,288	1,367	72,945



**ESPIRE HOSPITALITY LIMITED**  
(Formerly Known as Wellesley Corporation Limited)  
**Statement of Profit and Loss for the year ended March 31,2022**

(Amount in ₹ '000)

	Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
I.	Revenue from operations	19	16,916	1,075
II	Other Income	20	6,159	16
III	<b>Total Income(I + II)</b>		<b>23,075</b>	<b>1,091</b>
IV	<b>EXPENSES</b>			
	Cost of Materials Purchased	21	6,507	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	(2,957)	-
	Employee benefits expense	23	8,216	382
	Finance Costs	24	1,042	-
	Depreciation and amortization expense	2	3,127	-
	Other expenses	25	6,813	7,122
	<b>Total expenses (IV)</b>		<b>22,748</b>	<b>7,505</b>
V	Profit/(loss) before Exceptional items and tax(I- IV)		327	(6,413)
VI	Exceptional Items		-	-
VII	Profit before tax (V- VI)		-	-
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		1,111	116
IX	<b>Profit (Loss) for the year (VII-VIII)</b>		<b>(784)</b>	<b>(6,529)</b>
X	Other Comprehensive Income			
	Items that will not be reclassified to Profit or Loss	26	(5)	(88)
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit (Loss) and other Comprehensive Income for year		(780)	(6,617)
XII	Earnings per equity share			
	(1) Basic		(0.06)	(0.49)
	(2) Diluted		(0.06)	(0.49)

See accompanying notes to the financial statements

1

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**

Siddharth Bansal

**Partner**

**M No:518004**

**Place:New Delhi**

**Date:30/05/2022**

(Prithvi Raj Singh)

**Managing Director**

**DIN: 02876176**

(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). The Shares of the company are listed on BSE. The Company has been primarily engaged in the business of Real Estate Services & Hotel Business. The Hotel is currently operating in the name and style “Country Inn Tarika”.

**(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,2022

**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.
- 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
- There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial

**(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**

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 thousand, 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 amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised 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 derecognises 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 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 amortised 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 amortised 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 derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises 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 realise the assets and settle the liabilities simultaneously.

(VI) **EQUITY SHARE CAPITAL**

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 recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of 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 derecognised. The carrying amount of any component accounted as a separate component is derecognised, when replaced or when the property, plant and equipment to which the component relates gets derecognised.

**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 capitalised 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 derecognised.

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 amortisation 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 derecognised.

Particulars	Useful life in years
Brands/Trademarks	10

**Subsequent costs**

Subsequent costs is capitalised 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**

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

Amortisation 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 "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 amortisation, 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.

**ESPIRE HOSPITALITY LIMITED**  
(Formerly Known as Wellesley Corporation Limited)  
**Notes to the Financial Statements for the period ended 31<sup>st</sup> March, 2022**

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 utilised 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 the 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**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

**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 unrecognised or recognised, 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 realised. 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 realised 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.

In line with the provisions of Ind AS 108 - operating segments and on the basis the review of operations being done by the Board, the operations of the company fall under two segments namely:-

- 1) Hotels & Resorts
- 2) Real estate business.

The Company is operating in India which is considered as a single geographical segment.

**(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 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

**Ind AS 103 - Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact in its financial statements.

**Ind AS 16 - Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

**Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract**

**ESPIRE HOSPITALITY LIMITED**  
(Formerly Known as Wellesley Corporation Limited)  
**Notes to the Financial Statements for the period ended 31<sup>st</sup> March, 2022**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

<b>ESPIRE HOSPITALITY LIMITED</b>		
<b>(Formerly known as Wellesley Corporation Limited)</b>		
<b>Statement of Cash Flows for the year ended March 31,2022</b>		
(Amount in ₹ '000)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES BEFORE INTEREST</b>		
Profit before taxation	331	(6,502)
<b>Adjustment for :</b>		
Depreciation and amortisation	3,127	-
Interest income	(10)	(16)
<b>Operating cash flow before working Capital changes</b>	<b>3,448</b>	<b>(6,518)</b>
Decrease/(Increase) in Trade Receivables	(478)	486
Decrease/(Increase) in Other Current assets	(3,423)	(2)
Decrease/(Increase) in Other Non Current Assets	(26,228)	6,437
Increase/(Decrease) in Provisions	280	(201)
Increase/(Decrease) in Current Liabilities	20,870	(112)
Increase/(Decrease) in Other Long Term Liabilities	31,582	-
Increase/(Decrease) in Other Financial Liabilities	14,637	-
Decrease/(Increase) in Inventories	(2,957)	-
Adjustment for conversion of Non Cash equivalent items into Cash and Cash Equivalents	-	-
Cash generated from operation	37,731	91
Income taxes paid, net	-	-
<b>NET CASH FROM OPERATING ACTIVITIES(A)</b>	<b>37,731</b>	<b>91</b>
<b>B. CASH FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(36,406)	-
Investment in Intangible assets	(56)	-
Interest received	10	16
Less:Being not related to Cash and Cash Equivalent items.	-	(11)
<b>NET CASH FROM INVESTING ACTIVITIES(B)</b>	<b>(36,462)</b>	<b>5</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>NET CASH USED IN FINANCING ACTIVITIES ( C )</b>	<b>-</b>	<b>-</b>
Net Inc/(Dec) in Cash and Cash Equivalents(A+B+C)	1,269	96
<b>Cash &amp; Cash Equivalents as at the beginning of the year</b>	<b>120</b>	<b>24</b>
<b>Cash &amp; Cash Equivalents as at the end of the year</b>	<b>1,367</b>	<b>120</b>
See accompanying notes to the financial statements	1	
As per our report of even date attached	<b>For and on behalf of the Board of Directors</b>	
<b>For Bansal &amp; Co , LLP</b>		
CHARTERED ACCOUNTANTS	(Gagan Oberoi)	
(Firm Regn No:001113N/N500079)	<b>Director</b>	
	<b>DIN: 00087963</b>	
Siddharth Bansal	(Prithvi Raj Singh)	
<b>Partner</b>	<b>Managing Director</b>	
<b>M No:518004</b>	<b>DIN: 02876176</b>	
<b>Place:New Delhi</b>		
<b>Date:30/05/2022</b>	(Sumeer Narain Mathur)	
	<b>CFO,Company Secretary &amp; Compliance Officer</b>	
	<b>Membership No:FCS9042</b>	

**ESPIRE HOSPITALITY LIMITED**  
**(Formerly known as Wellesley Corporation Limited)**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH,2022**

**A Equity Share Capital**

**1) Current Year**

(Amount in ₹ '000)

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
1,35,004	NIL	1,35,004	NIL	NIL	NIL

**2) Previous year**

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Balance as at March 31, 2021	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
1,35,004	NIL	1,35,004	NIL	NIL	NIL

**B Other Equity**

**1) Current Year**

Particulars	Reserve & Surplus	Total
Balance as at April 1, 2020	(1,22,303)	(1,22,303)
Total comprehensive income for the year 2020-21	(6,617)	(6,617)
Balance as at March 31, 2021	(1,28,921)	(1,28,921)
Balance as at April 1, 2021	(1,28,921)	(1,28,921)
Total comprehensive income for the year 2021-22	(780)	(780)
Balance as at March 31, 2022	(1,29,700)	(1,29,700)

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:30/05/2022

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



**Espiré Hospitality Limited**

**Formerly Known as Wellesley Corporation Limited**

Notes forming part of Financial Statements for the financial year ended 31.03.2022

**3 Intangible assets**

**A Reconciliation of carrying amount**

(Amount in ₹ '000)

Particulars	Brands and Trademarks	Total
<b>Gross carrying Balance as at 31 March 2021</b>	143	<b>143</b>
Additions during the year	78	78
Disposals during the year	-	-
<b>Balance as at 31 March 2022</b>	<b>221</b>	<b>221</b>
<b>Accumulated depreciation as at 31 March 2021</b>	-	-
Amortisation for the year	22	22
Disposals during the year	-	-
<b>Balance at 31 March 2022</b>	<b>22</b>	<b>22</b>
<b>Net carrying value as at 31 March 2022</b>	<b>199</b>	<b>199</b>
<b>Net carrying value as at 31 March 2021</b>	<b>143</b>	<b>143</b>

There have been no revaluation of Intangible assets during financial year 2021-22 or 2020-21

**EspirE Hospitality Limited**

**Formerly Known as Wellesley Corporation Limited**

Notes forming part of Financial Statements for the financial year ended 31.03.2022

**NOTE 02 : PROPERTY, PLANT AND EQUIPMENT**

(Amount in ₹ '000)

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, 2021	Additions during the year	Deductions / Adjustments during the year	As at March 31, 2022	As at April 1, 2021	Current year	Depreciation on Life expired Assets	Deletions / Adjustments of Depreciation	Up to March 31, 2022	As at March 31, 2022	As at March 31, 2021
<b>(i) Tangible Assets</b>											
- Electric Installations	-	117	-	117	-	6	-	-	6	111	-
- Furniture & Fixture	-	13	-	13	-	1	-	-	1	12	-
- Kitchen Equipments	-	194	-	194	-	14	-	-	14	180	-
- Office Equipments	-	152	-	152	-	12	-	-	12	140	-
- Plant & Machinery	-	17	-	17	-	1	-	-	1	16	-
- Computers	-	1,839	-	1,839	-	231	-	-	231	1,608	-
- Right to use asset (Leasehold Resort)	-	34,075	-	34,075	-	2,840	-	-	2,840	31,235	-
										-	
<b>Total</b>	-	<b>36,406</b>	-	<b>36,406</b>	-	<b>3,105</b>	-	-	<b>3,105</b>	<b>33,301</b>	-
<b>Previous Year</b>	-	-	-	-	-	-	-	-	-	-	-

There have been no revaluation of Property, plant and equipment during financial year 2021-22 or 2020-21

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)

**NOTE - 4**

**DEFERRED TAX ASSETS (NET)**

PARTICULARS	As at 31 March 2022	As at 31 March 2021	Net Deferred Tax Asset/(Liability)
Deferred Tax Asset/ (Liability) (Brought forward losses & Un absorbed depreciation)	1,037	(1,111)	(74)
<b>Net Deferred Tax Asset/(Liability)</b>	<b>1,037</b>	<b>(1,111)</b>	<b>(74)</b>

**NOTE - 5**

**OTHER NON CURRENT ASSETS**

PARTICULARS	As at 31 March 2022	As at 31 March 2021
<b>i) Advances other than capital advances</b>		
a) Security Deposits	26,228	4,375
Less:-Provision for impairment	-	4,375
<b>TOTAL</b>	<b>26,228</b>	<b>-</b>

**NOTE - 6**

**INVENTORIES**

PARTICULARS	As at 31 March 2022	As at 31 March 2021
Grocery Items	159	-
Linen & Crockery (Valued at cost)	2,798	-
<b>TOTAL</b>	<b>2,957</b>	<b>-</b>

**NOTE-7**

**TRADE RECEIVABLES**

PARTICULARS	As at 31 March 2022	As at 31 March 2021
Trade Receivables considered good-Unsecured	2,498	2,020
<b>TOTAL</b>	<b>2,498</b>	<b>2,020</b>

**Financial Year 2021-22**

Note :7.1 Ageing Schedule of Trade Receivables

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	536	-	-	-	-	536
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	1,962	1,962
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>536</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,962</b>	<b>2,498</b>

Rs 19,61,969/- recoverable from NSEL (National Spot Exchange Limited) is under litigation pending

**Financial Year 2020-21**

Note :7.2 Ageing Schedule of Trade Receivables

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	58	-	-	-	-	58
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	1,962	1,962
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,962</b>	<b>2,020</b>

**NOTE - 8**

**CASH AND CASH EQUIVALENTS**

PARTICULARS	As at 31 March 2022	As at 31 March 2021
a) Balance with Banks In Current Accounts	1,189	115
b) Cash on Hand	179	5
<b>TOTAL</b>	<b>1,367</b>	<b>120</b>

**NOTE - 9**

**OTHER BANK BALANCES**

PARTICULARS	As at 31 March 2022	As at 31 March 2021
In term deposit account (Maturity more than 3 months)(Note:9.1)	100	100
Interest Accrued on Bank FDRs	109	99
<b>TOTAL</b>	<b>209</b>	<b>199</b>

**Note 9.1**

Term deposit of Rs 1,00,000/- 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 - 10**

**OTHER CURRENT ASSETS**

PARTICULARS	As at 31 March 2022	As at 31 March 2021
a) Advances other than capital advances		
Advance to staff	7	-
Recoverable in Cash or kind	1,353	14
Balance with income tax authorities	909	598
	2,269	612
b) Other advances	3,916	4,189
Less:-Provision for impairment	-	2,038
	3,916	2,151
<b>TOTAL</b>	<b>6,185</b>	<b>2,762</b>

**NOTE NO. 11**

(Amount in ₹ '000)

**EQUITY SHARE CAPITAL**

PARTICULARS	As at 31 March 2022	As at 31 March 2021
<b>Authorised</b> 1,50,00,000 (Previous year 1,50,00,000) Equity share of Rs 10/- each	1,50,000	1,50,000
<b>Issued</b> 1,35,00,400 (Previous year 1,35,00,400) Equity shares of Rs 10/- each	<u>1,35,004</u>	<u>1,35,004</u>
<b>Subscribed &amp; fully paid up</b> 1,35,00,400 (Previous year 1,35,00,400) Equity shares of Rs 10/- each	1,35,004	1,35,004
<b>TOTAL</b>	<b>1,35,004</b>	<b>1,35,004</b>

**11.1**

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rupees	No. of shares	Rupees
Number of shares outstanding at the beginning of the year	1,35,00,400	1,35,004	1,35,00,400	1,35,004
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

**11.2**

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

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No of Shares	%	No of Shares	%
Mrs Sadhana Rai	1,00,00,000	74.07	1,00,00,000	74.07

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

**11.4** 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

**11.5** 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.

**11.6**

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 awaiting

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

11.8 The Company has not issued bonus shares, bought back shares or issued shares for consideration other than cash during the period of five years

The Company has not declared dividend in the financial year 2021-22 and 2020-21.

**NOTE - 16**

**TRADE PAYABLES**

(Amount in ₹ '000)

Particulars	As at 31 March 2022	As at 31 March 2021
(A) total outstanding dues of micro enterprises and small enterprises	1,570	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	4,400	-
<b>TOTAL</b>	<b>5,971</b>	<b>-</b>

**Note:16.1**

**Trade Payables ageing for the Financial Year 2021-22**

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	1,570	-	-	-
(ii) Others	4,400	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

**Note:16.2**

**Trade Payables ageing for the Financial Year 2020-21**

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

**NOTE - 17**

**OTHER CURRENT LIABILITIES**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>a) Other Advances</b>		
Advance from Customers	1,591	-
<b>b)Others</b>		
Expenses Payable	3,709	179
<b>TOTAL</b>	<b>5,300</b>	<b>179</b>

**NOTE - 18**

**SHORT TERM PROVISIONS**

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
- Short Term Gratuity(Unfunded)	0	0
- Short Term Leave(Unfunded)	22	1
<b>TOTAL</b>	<b>22</b>	<b>1</b>

Note:18.1 Refer note no:15.1 & 15.2



**NOTE - 12**

**OTHER EQUITY**

Particulars	As at 31 March 2022	As at 31 March 2021
Other Reserves		
Retained Earnings	(1,29,700)	(1,22,507)
<b>TOTAL</b>	<b>(1,29,700)</b>	<b>(1,22,507)</b>

**NOTE - 13**

**BORROWING**

Particulars	As at 31 March 2022	As at 31 March 2021
Loans from related parties repayble on demand	31,582	-
<b>TOTAL</b>	<b>31,582</b>	<b>-</b>

**Note:13.1**

**Details of Borrowing**

Particulars	As at 31 March 2022	As at 31 March 2021	Rate of Interest	Repayment Terms
Loan from Related Party	31,582.17	-	8% pa	Repayble on demand

**Note: 13.2**

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



**NOTE - 14**

**OTHER FINANCIAL LIABILITIES**

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Lease Liability	9,758	14,637	-	-
<b>TOTAL</b>	<b>9,758</b>	<b>14,637</b>	<b>-</b>	<b>-</b>

**14.1 Leases**

**As a Lessee**

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

	Note	As at 31 March 2022	As at 31 March 2021
Right-of-use assets, except for investment property	2	31,235	-
		<b>31,235</b>	<b>-</b>

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

**Right-of-use assets**

Particulars	Leaseshold Resort
Balance at 1 April 2020	-
Additions:	-
Depreciation charge for the year	-
Balance at 31st March 2021	-
Balance at 1 April 2021	-
Additions:	34,075
Depreciation charge for the year	2,840
Balance at 31st March 2022	<b>31,235</b>

**Lease liabilities**

	As at 31 March 2022	As at 31 March 2021
<b>Maturity analysis - Contractual undiscounted cash flows</b>		
Less than one year	9,750	-
One to five years	20,000	-
More than five years	-	-
Total undiscounted lease liabilities at 31st March, 2022	<b>29,750</b>	<b>-</b>

	As at 31 March 2022	As at 31 March 2021
<b>Lease liabilities included in the statement of financial position</b>		
Current	9,758	-
Non-current	14,637	-

	Period ended 31 March 2022	Period ended 31 March 2021
<b>Amounts recognised in profit or loss</b>		
Interest on lease liabilities	890	-
Expenses relating to short-term leases / variable payments	18	16

Particulars	Period ended 31 March 2022	Period ended 31 March 2021
Total cash outflow for leases	10,570	-

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, 2022

**ESPIRE HOSPITALITY LIMITED**

**(Formerly Known as Wellesley Corporation Limited )**

Notes forming part of Financial Statements for the year ended March 31,2022

(Amount in ₹ '000)

**NOTE - 15**

**PROVISIONS**

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
- Gratuity(Unfunded)	12	0
- Leave(Unfunded)	286	1
<b>TOTAL</b>	<b>298</b>	<b>1</b>

15.1 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 2021-22)

PARTICULARS	Gratuity	Leave Encashment
<b>Reconciliation of opening and closing balances of the present</b>		
<b>value of the defined benefit obligation :</b>		
Obligations as at 01.04.2021	4	15
Service cost	13	329
Interest Cost	0	1
Benefits Paid	-	20
RE-measurement Acturial(Gain)/ Loss	3	(18)
<b>Obligations as at 31.03.2022</b>	<b>20</b>	<b>308</b>
<b>Reconciliation of present value of the obligation and the fair</b>		
<b>value of the plan assets :</b>		
Fair Value of plan assets as at 31.03.2022	-	-
Present value of the defined benefit obligations as at 31.03.2022	20	308
<b>(Asset)/Liability recognised in the balance sheet</b>	<b>20</b>	<b>308</b>
Short Term Provision	0	22
Long Term Provision	12	286
<b>Total</b>	<b>12</b>	<b>308</b>
<b>Assumptions</b>		
Attrition rate	5%	5%
Discount factor	7.15%	7.15%
Estimated rate of return on plan assets	N.A	N.A
Salary Increase	5%	8%
Retirement age	60.00	60.00

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Notes forming part of Financial Statements for the year ended March 31,2022  
(Amount in ₹ '000)

15.2 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 2020-21)

PARTICULARS	Gratuity	Leave Encashment
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation :</b>		
Obligations as at 01.04.2020	167	66
Service cost	4	-
Interest Cost	11	4
Benefits Paid	(185)	67
RE-measurement Acturial(Gain)/ Loss	7	11
<b>Obligations as at 31.03.2021</b>	<b>4</b>	<b>15</b>
<b>Reconciliation of present value of the obligation and the fair value of the plan assets :</b>		
Fair Value of plan assets as at 31.03.2021	-	-
Present value of the defined benefit obligations as at 31.03.2021	4	15
<b>(Asset)/Liability recognised in the balance sheet</b>	<b>4</b>	<b>15</b>
Short Term Provision	0	1
Long Term Provision	4	14
<b>Total</b>	<b>4</b>	<b>15</b>
<b>Assumptions</b>		
Attrition rate	5%	5%
Discount factor	6.75%	7.70%
Estimated rate of return on plan assets	N.A	N.A
Salary Increase	5%	8%
Retirement age	60	60

**ESPIRE HOSPITALITY LIMITED**  
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Notes forming part of Financial Statements for the year ended March 31,2022



**NOTE - 16**

**TRADE PAYABLES**

(Amount in ₹ '000)

Particulars	As at 31 March 2022	As at 31 March 2021
(A) total outstanding dues of micro enterprises and small enterprises	1,570	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	4,400	-
<b>TOTAL</b>	<b>5,971</b>	<b>-</b>

**Note:16.1**

**Trade Payables ageing for the Financial Year 2021-22**

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	1,570	-	-	-
(ii) Others	4,400	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

**Note:16.2**

**Trade Payables ageing for the Financial Year 2020-21**

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

**NOTE - 17**

**OTHER CURRENT LIABILITIES**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>a) Other Advances</b>		
Advance from Customers	1,591	-
<b>b)Others</b>		
Expenses Payable	3,709	179
<b>TOTAL</b>	<b>5,300</b>	<b>179</b>

**NOTE - 18**

**SHORT TERM PROVISIONS**

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
- Short Term Gratuity(Unfunded)	0	0
- Short Term Leave(Unfunded)	22	1
<b>TOTAL</b>	<b>22</b>	<b>1</b>

Note:18.1 Refer note no:15.1 & 15.2

**ESPIRE HOSPITALITY LIMITED**

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Notes forming part of Financial Statements for the year ended March 31,2022

(Amount in ₹ '000)

**NOTE - 19**

**REVENUE FROM OPERATIONS**

PARTICULARS	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of Services		
Room Rent & Room Package Sale	10,163	-
Food & Beverages	4,182	-
Consultancy Services	1,000	1,075
Other Operational Income	1,570	-
<b>TOTAL</b>	<b>16,916</b>	<b>1,075</b>

**Revenue disaggregation by timings of satisfaction of performance obligation**

PARTICULARS	For the year ended 31 March 2022	For the year ended 31 March 2021
At a point in time	14,346	-
Over a period of time	2,570	1,075
<b>Total</b>	<b>16,916</b>	<b>1,075</b>

**Disaggregation revenue by geographical region**

PARTICULARS	For the year ended 31 March 2022	For the year ended 31 March 2021
Within India	16,916	1,075.00
Outside India	-	-
<b>Total</b>	<b>16,916</b>	<b>1,075</b>

**NOTE - 20**

**OTHER INCOME**

PARTICULARS	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on FDR's	10	11
Interest on Income Tax Refund	-	5
Misc Income	8	-
Provision Written Back	6,141	-
<b>TOTAL</b>	<b>6,159</b>	<b>16</b>

**NOTE - 21**

**COST OF MATERIALS PURCHASED**

PARTICULARS	For the year ended 31 March 2022	For the year ended 31 March 2021
Grocery Items	2,421	-
Perishable Items	860	-
Beverages	26	-
Consumables	91	-
Crockery, Cutlery & Linens	3,109	-
<b>TOTAL</b>	<b>6,507</b>	<b>-</b>

(Amount in ₹ '000)

**NOTE - 22**

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

PARTICULARS	For the year 2021-22	For the year 2020-21
<b>Inventories at Close</b>		
Raw Materials	159	-
House Keeping & Consumables	2,798	-
	2,957	
<b>Inventories at Commencement</b>		
Raw Materials	-	-
House Keeping & Consumables	-	-
	-	-
<b>Decrease/(Increase) In Inventory</b>	<b>(2,957)</b>	<b>-</b>

**NOTE - 23**

**EMPLOYEE BENEFITS EXPENSE**

PARTICULARS	For the year 2021-22	For the year 2020-21
Salary & Wages	7,536	3,58,203
Provident Fund & Family Pension Fund & Exp	384	17,801
Staff Welfare	239	6,380
Recruitment Expenses	57	-
<b>TOTAL</b>	<b>8,216</b>	<b>3,82,384</b>

**NOTE - 24**

**FINANCE COST**

PARTICULARS	For the year 2021-22	For the year 2020-21
Interest on Taxes	40	-
Interest on lease liability (Notional)	890	-
Bank Charges & POS Charges	113	-
<b>TOTAL</b>	<b>1,042</b>	<b>27,526</b>

**ESPIRE HOSPITALITY LIMITED**

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Notes forming part of Financial Statements for the year ended March 31,2022

**NOTE - 25**

(Amount in ₹ '000)

**OTHER EXPENSES**

PARTICULARS	For the year 2021-22	For the year 2020-21
Advertisement & Sales Promotion	358	-
Commissions	1,045	-
Lease Rent Expenses	18	16
Power & Fuels	1,419	-
Legal & Professional Expences	408	179
Listing Fees	300	300
Depository Fees	77	115
Stautory Publications	65	15
Communication Expenses	192	22
Filing Fees	60	-
Fines & Penalties	1,119	-
Guest Related Expenses	652	-
Printing & Stationary	101	3
Rates & Taxes	67	-
Repairs & Maintenance		
Plant & Machinery	54	-
Others	7	-
Travel & Conveyance	246	-
Audit Fees	200	30
Misc.Expenses	351	30
Royalty Expenses	73	-
Provision for Doubtful Debts	-	6,413
<b>TOTAL</b>	<b>6,812.54</b>	<b>7,122.37</b>

**NOTE - 26**

**OTHER COMPREHENSIVE INCOME**

PARTICULRS	For the year 2021-22	For the year 2020-21
A) Items that will not be reclassified to profit or loss		
i)Remeasurement of the defined benefit plans	(4.59)	(6.82)
ii) Other (Tax Provisions previous years)	-	(81.38)
<b>TOTAL</b>	<b>(4.59)</b>	<b>(88.20)</b>

**ESPIRE HOSPITALITY LIMITED**  
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**Notes to the Financial Statements for the period ended 31<sup>st</sup> March,2022**

**27. Commitment & Contingent Liabilities:-**

a) LG Electronics India Pvt. Ltd (LG) had filed a suit against the company, Usha India Ltd., and others for the recovery of ₹ 46502.40 thousand given as security deposit for the premises A-41, Mohan Co-operative Industrial Estate, New Delhi -110044 taken by it on lease from Usha India Ltd. and against the maintenance service agreement for the same premises entered into with the company. The company has denied its liability on the ground that it has already assigned the agreement to Lord Mahadev Trust on 6th August, 1997 and transferred the security deposit of ₹ 8719.20 thousand received by the Company to the said Trust. However, Hon'ble High Court of Delhi has passed a part joint decree of ₹ 23125.80 thousand in favour of LG and the LG filed an execution petition and subsequently the Court directed the Company to transfer a sum of ₹ 450 thousand to LG. The liability on account of above decree has not been ascertained by the court among the parties to the suit.

However, the management is of the opinion based on legal advices, that the Company shall not be liable to make any payment to L.G, even the amount of ₹ 450 thousand shall be recovered by the company from LG Electronics India Pvt. Ltd (LG). Presently ₹ 450 thousand so transferred to LG Electronics has been shown under the head of Long term Loan and Advances .

**b) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Nil (previous year Nil)



**28 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 As on 31 March 2022

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>Non-current</b>								
Investments		-	-	-	-	-	-	-
Loans		-	-	-	-	-	-	-
Other financial assets			-	-	-	-	-	-
<b>Current</b>								
Trade receivables*	7	-	-	2,498	2,498	-	-	2,498
Cash and cash equivalents*	8	-	-	1,367	1,367	-	-	1,367
Other bank balances*	9	-	-	209	209	-	-	209
<b>TOTAL</b>		-	-	<b>4,075</b>	<b>4,075</b>			<b>4,075</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowings#	13	-	-	31,582	31,582	-	-	31,582
Other financial liabilities*	14	-	-	14,637	14,637	-	-	14,637
<b>Current</b>								
Borrowings#	13	-	-	-	-	-	-	-
Trade payables*	16	-	-	5,971	5,971	-	-	5,971
Other current financial liabilities*	14	-	-	9,758	9,758	-	-	9,758
<b>TOTAL</b>		-	-	<b>61,948</b>	<b>61,948</b>			<b>61,948</b>

As on 31 March 2021

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>Non-current</b>								
Investments	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-	-
<b>Current</b>								
Trade receivables*	7	-	-	2,020	2,020	-	-	2,020
Cash and cash equivalents*	8	-	-	120	120	-	-	120
Other bank balances*	9	-	-	199	199	-	-	199
<b>TOTAL</b>		-	-	<b>2,339</b>	<b>2,339</b>			<b>2,339</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowings#	13	-	-	-	-	-	-	-
Other financial liabilities*	14	-	-	-	-	-	-	-
<b>Current</b>								
Borrowings#	13	-	-	-	-	-	-	-
Trade payables*	16	-	-	-	-	-	-	-
Other current financial liabilities*	14	-	-	-	-	-	-	-
<b>TOTAL</b>		-	-	<b>-</b>	<b>-</b>			<b>-</b>

There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2022 and 31 March 2021.

### Valuation processes

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



### 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.

### 28 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 2022	As at 31 March 2021
Trade receivables	2,498	2,020
Cash and cash equivalents	1,367	120
Other bank balances other than cash and cash equivalents	209	199

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

Particulars	Gross carrying amount	
	As at 31 March 2022	As at 31 March 2021
Less than 6 months	536	58
6 months -1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	1,962	1,962
	<b>2,498</b>	<b>2,020</b>

\* 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.

Movement in the allowance for impairment in respect of trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
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.

**Financial risk management (continued)**

**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 interest accrued but not due on borrowings.

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	
<b>Non derivative financial liabilities</b>						
Borrowings - term loan	1,076	-	-	1,076	-	1,076
<b>Current financial liabilities</b>						
Borrowings - (repayable on demand)	5,984	5,984	-	-	-	5,984
Borrowings - Current maturities of long-term borrowings	-	-	-	-	-	-
Trade payables	2,959	2,959	-	-	-	2,959
Interest accrued but not due on borrowings	18	18	-	-	-	18
	<b>10,037</b>	<b>8,961</b>	-	<b>1,076</b>	-	<b>10,037</b>

As at 31 March 2021	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	
<b>Non derivative financial liabilities</b>						
Borrowings - term loan	699	-	-	562	137	699
<b>Current financial liabilities</b>						
Borrowings - (repayable on demand)	5,546	5,546	-	-	-	5,546
Borrowings - Current maturities of long-term borrowings	-	-	-	-	-	-
Trade payables	2,104	2,104	-	-	-	2,104
Interest accrued but not due on borrowings	32	32	-	-	-	32
	<b>8,380</b>	<b>7,682</b>	-	<b>562</b>	<b>137</b>	<b>8,380</b>

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.

**(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 2022	As at 31 March 2021
<b>Fixed rate liabilities</b>		
Borrowings	-	-
Effect of interest rate swaps	-	-
<b>Variable rate liabilities</b>		
Borrowings	7,060	6,245
Effect of interest rate swaps	-	-
<b>Total</b>	<b>7,060</b>	<b>6,245</b>

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below.

Particulars	Statement of Profit and Loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
For the year ended 31 March 2022	71	(71)	71	(71)
<b>Foreign currency term loan- from others</b>				
<b>Cash flow sensitivity</b>				

Particulars	Statement of Profit and Loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
For the year ended 31 March 2021	62	(62)	62	(62)
<b>Foreign currency term loan- from others</b>				
<b>Cash flow sensitivity</b>				

**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.

(Amount in ₹ '000)

**28 Financial risk management (continued)**

**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 2022, 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 2022	As at 31 March 2021
Long-term borrowings	31,582	-
Short-term borrowings	-	-
<b>Adjusted net debt (A)</b>	<b>31,582</b>	<b>-</b>
Equity share capital	1,35,004	1,35,004
Other equity	(1,29,700)	(1,28,921)
<b>Total Equity (B)</b>	<b>- 5,304</b>	<b>6,083</b>
<b>Capital and total debt (C)</b>	<b>36,886</b>	<b>6,083</b>
<b>Debt equity ratio (C = A/B)</b>	<b>5.95</b>	<b>-</b>

**Return on equity:**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Profit after tax</b>	<b>(784)</b>	<b>(6,529)</b>
Average Equity share capital	1,35,004	1,35,004
Average Other equity	(1,29,700)	(1,28,921)
<b>Total equity</b>	<b>5,304</b>	<b>6,083</b>
<b>Average Total equity</b>	<b>5,693</b>	<b>6,083</b>
<b>Return on equity Ratio (%)</b>	<b>(0.14)</b>	<b>(1.07)</b>

**ESPIRE HOSPITALITY LIMITED**  
(Formerly Known as Wellesley Corporation Limited)  
**Notes to the Financial Statements for the period ended 31<sup>st</sup> March,2022**

29. A) Name and Transactions with related parties:- (Amount in ₹ '000)

SI No.	Name	Relation	Nature of Transaction	Transaction for the year ended 31 <sup>st</sup> March,2022	Transaction for the year ended 31 <sup>st</sup> March,2021
1.	Mr. Prithvi Raj Singh	Managing Director	Director Remuneration	NIL	NIL
2.	Mr. Sumeer Narain Mathur	Company Secretary & Chief Financial Officer	Remuneration (01.04.2021 to 15.4.2021 and 27.09.2021 to 31.03.2022)	510	327.78
3	Late Mrs. Sadhana Rai (Legal Heirs of Mrs. Rai)	Promoter	NIL	NIL	NIL
4	M/s Windsor Infrastructure Limited	Enterprises having Significant influence of KMP's	Loan taken	31582.17	NIL
			Consultancy Provided	1180	NIL
			Expenses Incurred on their behalf	1.8	NIL
			Expenses incurred by them on our behalf	NIL	382.22
5	Forest Fern Hospitality Private Limited	Enterprises having Significant influence of KMP's	Payments received on our behalf from guest	202.52	NIL
			Expenses /payments made on our behalf	3749.05	NIL
			Rentals	17.70	17.70
6	Forest Fern Resorts Private Limited	Enterprises having Significant influence of KMP's	Payments received on our behalf from guests	358.33	NIL
7	Brentwoods International Limited	Enterprises having Significant influence of KMP's	Expenses incurred on our behalf	148.82	NIL

**B) Balance outstanding at the end of the year**

Name of the party	Nature of Balance	As on 31.03.2022	As on 31.03.2021
Windsor Infrastructure Limited	Loan Received	(31582.17)	NIL
Forest Fern Hospitality Private Limited	Payments received on our behalf from guests & Expenses incurred for business promotion	(570.43)	57.93
Forest Fern Resorts Private Limited	Payments received on our behalf from guests	360.15	NIL
Brentwoods International Limited	Payments received on our behalf from guests	(10.00)	NIL

Negative figures means payable and positive figure means recoverable

**ESPIRE HOSPITALITY LIMITED**  
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**Notes to the Financial Statements for the period ended 31<sup>st</sup> March,2022**

**30. Segment Reporting**

Till last financial year viz 2020-21, the company was operating in only one segment i.e Real Estate. During the current financial year i.e 2021-22, the company has entered into Hotel Business.

The company is running a Resort namely “Country Inn Tarika” at Jim Corbett, Uttarakhand. The Company has also entered into various agreements for lending them brand name “Country Inn” on chargeable basis. The Company has two principal operating and reporting segments viz “Real Estate” & “Hotels & Resorts Business”

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocable”.
- b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.

(Amount in ₹ ‘000)

	Real Estate	Hotels & Resorts	Unallocated	Total
<b>Segment Revenue</b>				
Revenue from operations	1,000	15,916	-	16,916
Other Income	6,151	8	-	6,159
<b>Total Income(I + II)</b>	<b>7,151</b>	<b>15,924</b>	<b>-</b>	<b>23,075</b>
<b>Segment Expenses</b>				
Cost of Materials Purchased	-	6,507	-	6,507
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	-	(2,957)	-	(2,957)
Employee benefits expense	-	4,412	3,805	8,216
Finance Costs	-	-	1,042	1,042
Depreciation and amortization expense	-	2,840	287	3,127
Other expenses	98	4,584	2,131	6,813
<b>Total expenses (IV)</b>	<b>98</b>	<b>15,385</b>	<b>7,265</b>	<b>22,748</b>
<b>Profit/(loss) before Exceptional items and tax(I- IV)</b>	<b>7,053</b>	<b>539</b>	<b>(7,265)</b>	<b>327</b>

**Other Information**

Segment Assets	9,289	62,288	1,367	72,945
Segment Liabilities	9,289	62,288	1,367	72,945

- 1) There are no inter segment transactions
- 2) The reportable segments are further described as :-  
Real Estate- It includes the consultancy, maintenance services and such other real estate services provided by the company.  
Hotel Business- It includes the hotels & resorts operated by the company wherein restaurant , lodging & boarding services are available for the guests. Currently the company is operating a resort in name and style as “Country Inn Tarika” situated at Jim Corbett, Nanital , Uttarakhand.

**ESPIRE HOSPITALITY LIMITED**  
(Formerly Known as Wellesley Corporation Limited)  
**Notes to the Financial Statements for the period ended 31<sup>st</sup> March, 2022**

**31. Earnings per share**

(Amount in ₹ '000)

	As on 31.03.2022	As on 31.03.2021
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	(757)	(6617)
C) Basic & Diluted Earnings per share (Annualized)	(0.06)	(0.49)

**32. Financial Ratios**

**Financial Ratios**

Ratio	Numerator	Denominator	Current period	Previous period	% variance
(a) Current ratio	Current assets	Current liabilities	0.63	28.36	-2773%
(b) Debt-equity ratio	Borrowings	Total Equity	5.95	-	NA
(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	0.39	-	NA
(d) Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	(0.14)	(1.07)	94%
(e) Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	5.72	-	NA
(f) Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	10.21	1.05	916%
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	1.48	-	NA
(h) Net capital turnover ratio	Net Sales	Working Capital	(2.95)	0.22	-317%
(i) Net profit ratio	Net profit	Net Sales	(0.03)	(6.06)	603%
(j) Return on capital employed	Earning before interest and taxes	Capital Employed	0.04	(1.05)	109%

Note:

The reasons of variance is due to the fact that the company undertook Hotel Business during the current financial year.

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



**ESPIRE HOSPITALITY LIMITED**  
(Formerly Known as Wellesley Corporation Limited)  
**Notes to the Financial Statements for the period ended 31<sup>st</sup> March,2022**

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

Raw Materials: NIL(Previous. Year Nil)

Stores & spares: NIL(Previous Year Nil)

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

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

36. Exceptional items NIL (Previous Year Nil)

37. 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, 2022 are as under:-

(Amount in ₹ '000)

	As on 31.03.2022	As on 31.03.2021
(a) the principal amount and the interest due thereon remaining unpaid to any supplier	1570.32	NIL
(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 16

38. Pending Litigations-

a) The contingent liabilities in respect of litigations and their impact on financial position is disclosed in brief at note no. 27

**ESPIRE HOSPITALITY LIMITED**  
(Formerly Known as Wellesley Corporation Limited)  
**Notes to the Financial Statements for the period ended 31<sup>st</sup> March, 2022**

- b) Advances and Security Deposits extended for various projects alongwith expenses incurred on them by the company are under Litigation as detailed in Note no: 5.1 & 10.1. The Company's Management reasonably expect that upon final judgement of each & every case, there would be very positive impact on the company's financial position.
39. Previous year's figures have been regrouped / rearranged wherever necessary.
40. Figures in brackets denote negative figures.
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. 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
43. There is no charge or satisfaction pending for registration with Registrar of Companies beyond the statutory period
44. 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,

**For Bansal & Co, LLP**  
Chartered Accountants  
Firm Reg No:001113N/N500079

Siddharth Bansal  
Partner  
Membership No:518004  
Place: New Delhi  
Date: 30/05/2022

**For Espire Hospitality Limited**  
(Formerly Known as Wellesley Corporation Limited)

**Gagan Oberoi**  
Director  
DIN:00087963

**Prithvi Raj Singh**  
Managing Director  
DIN:02876176

**Sumeer Narain Mathur**  
CFO, Company Secretary & Compliance Officer  
Membership Number: FCS9042

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**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 HOSPITALITY LIMITED  
(FORMERLY KNOWN AS WELLESLEY CORPORATION LIMITED)**

Registered office: **Shop#1, Country Inn, Mehragaon, Bhimtal, Uttarakhand-248179**

<b>Name of the member (s):</b>	
<b>Registered address:</b>	
<b>Email id.</b>	
<b>Folio No/Client id:</b>	
<b>DP ID:</b>	

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 31<sup>ST</sup> Annual General Meeting of the company, to be held on the Friday, 30<sup>th</sup> September, 2022 at 10:00 AM at "Country Inn Hotel & Resorts", Mehragaon, Bhimtal, Uttarakhand-248179, and at the any adjournments thereof in respect of such resolutions as are indicated below:

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<u>Ordinary Business</u>		<u>For</u>	<u>Against</u>
1	Adoption of Audited Financial Statements of the Company for the financial year ended March 31,2022 and the Reports of the Board of Directors and Auditors thereon		
2	To appoint a director in the place of Mr. Amit Rai (DIN: 00088067) who retires by rotation and being eligible, offers himself for reappointment		
<u>Special Business</u>			
3	Appointment of Mr. Amit Kumar Jain (DIN: 00334133) as an Independent Director of the Company.		
4	To Approve borrowing limits		
5	To increase the limits for the loans and investments by the company		
6	Approval of Related Party Transactions		

Signed this \_\_\_ day of \_\_\_\_\_ 2022

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 30<sup>th</sup> September, 2022 at "Country Inn ", Mehragaon, Bhimtal, Uttarakhand-248179.

Clint id/Folio Number\_\_\_\_\_

Signature of attending Member/Proxy\_\_\_\_\_



Annual Report f.y 2021-22

