Date:- 06/09/2024

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

Script Code/Symbol: 532016/Espire

Subject:-Annual Report for the financial year 2023-24 and Notice Convening the 33rd Annual General Meeting

Dear Sir/Madam,
Pursuant to Clause 34 of SEBI (Listing Obligations & Disclosure Requirements) we submit herewith the Annual Report of the Company for the financial year 2023-24 along with Notice convening the 33rd Annual General Meeting to be held on 28th September,2024.

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

You are requested to take the above information on your records.
Thanking you,

Yours faithfully,
Espire Hospitality Limited

(Sumeer Narain Mathur)
Company Secretary & Compliance officer
Membership No: FCS9042
Encl: As above

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting (AGM) Of Espire Hospitality Limited ("The Company or EHL") will be held on Saturday,28th September, 2024 at 10:30 AM Indian Standard Time (IST) at "Country Inn Nature Resorts", Mehragoan, Bhimtal, Uttarakhand-248179, through Physical Mode to transact the following business: -

ORDINARY BUSINESS: -

1.To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.

2.To appoint a Director in the place of Mr. Amit Rai (DIN:000088067) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. Appointment of Mr. Akhil Arora (DIN: 09436540) as a 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 31st December,2023 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 Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (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. Akhil Arora (DIN 09436540) who was appointed as an additional director w.e.f 01st January,2024 in pursuance of Article 60 of the Company & & whose current period of office is expiring on the date of the ensuing 33rd Annual General Meeting and who has submitted a declaration confirming his eligibility as an Executive Director of the Company/

4 Appointment of **Mr. Akhil Arora (DIN: 09436540)** as the Managing Director & Chief Executive Officer of the company

- To consider and if thought fit to pass, with or without modification(s), the following resolution as **"ORDINARY RESOLUTION"**
- "**RESOLVED THAT** in accordance with Sections 196, 197, 203 and Schedule V to the Act and other applicable provisions of the Companies Act, 2013 read with applicable rules (hereinafter referred to as "the Act") as amended upto date, the approval of shareholders be and is hereby granted for the appointment of Mr Akhil Arora ,(DIN :09436540), as Managing Director of the company for a period of 5 years commencing from 01.01.2024 on the following terms and conditions mentioned below with liberty to the board of directors to alter or vary the same so that as not to exceed the limits set out in schedule V read with section 196 & 197 of the Companies Act,2013 or any amendments thereto, as may be agreed between the board and Mr. Akhil Arora

I**. Tenure**

a. The appointment shall remain in force for a period of 5 years, w.e.f 01st January,2024 however the same may be concluded by either side , giving one month written notice to the other side.

II. Duties & Powers

a. You being also acting as the Managing Director in one more company, you shall be required to devote your sufficient time and attention to the business of this company also and perform such duties as may be entrusted to you by the board from time to time and separately communicated to you and exercise such powers that may be assigned to you.

b. The Managing Director undertakes to employ the best of his skills and ability and to make his utmost endeavors to promote the interests and welfare of the Company and to confirm to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

III**. Remuneration**

a. It shall be Rs 80 lakhs per annum .

IV**. Variation**

a. The terms and conditions of the appointment of the Managing Director may be altered and varied from time to time by the board in such manner as may be agreed between the board and Managing Director subject to necessary approvals.

V. **Technology**

a. Being a Director, the Managing Director may make use of video, telephone, electronic mail or any other technology which permits each director to communicate with every other director or any combination of these technologies for the purpose of calling and holding directors meeting.

VI. **Confidentiality, Access to Company Records & Code of Conduct**

a. Under Company Law, Directors have a right of access to Company's documents and records, including financial records. Any confidential information which may come to the knowledge in the performance of duties as the Managing Director of the Company must not be divulged, except so far as :

i. may be necessary in connection with the proper performance of duties towards the Company.

ii. the company may from time to time authorise the Managing Director to disclose such information as may be required with the conditions that to take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the company ;

iii. as may be required by law to disclose.

The Managing Director is subject to abide by the "EHL-Code of conduct for Prevention of Insider Trading & Fair Disclosure of Unpublished Price Sensitive Information policy.

VII. **Applicable Laws**

a. The laws of India shall govern this appointment.

5. 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, ofthe 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. 500 Crores (Rupees Five 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."

6. AUTHORISATION FOR LOANS AND INVSTMENTS 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 andany 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. 500 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 THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 andany 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. 500 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) of the Company as it may consider appropriate in order to give effect to this Resolution."

7. 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 Espire Conglomerate Limited entered into on and after 01.04.2024 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 Espire Hospitality Limited

Sumeer Narain Mathur

Company Secretary & Compliance Officer

Membership No: FCS9042

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

Date:02nd September, 2024

Place: New Delhi

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

- A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form issent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.
- Only registered members of the Company holding shares as on the cut-off date decided for the purpose, being 23rd 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.
- 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 02nd September,2022
- **Voting Rights:** Shareholders holding Equity Shares shall have one vote per share as shown against their holding and shareholders
- **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).
- 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.
- 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.
- 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.
- 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.
- Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
- 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.
- In line with the MCA Circular dated May 5, 2020 and January 13, 2021 and SEBI Circular dated May 12, 2020 and January 15, 2021 the Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories and the same will also be available on the Company's website www.espirehospitality.com and on the websites of stock exchange www.bseindia.com. For any communication, the members may send requests to the Company's email Id cs@espirehospitality.com
- The Company's Register of Members and Transfer Books will remain closed from 24th September,2022 to 02nd October,2022 (both days inclusive) for thepurpose of the Meeting, and the "E-Voting "facility shall be open for the period from 09:00 hours of 27th September,2022 to 17:00 hours of 29th September,2022 after this period the event will be no longer available for casting votes by "E-Voting "mechanism.
- 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.
- 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

- 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.
- Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agent.
- Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
- 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.
- 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.
- 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.
- 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.
- As per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results of e-voting are to be communicated to the BSE Limited, where the equity shares of the Company are listed, within 02 working days of the conclusion of the Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.espirehospitality.com and on the website of NSDL.

- Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting,30th September,2024
- 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.
- The route map of the venue of the Meeting is attached at the end of the Notice for the 33rd AGM.
- A link to access the same is also mentioned here https://maps.app.goo.gl/3vUczZZRA8x3KBJbA
- 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.
- 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.
- 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

- Members may please note that no gifts will be distributed at the Meeting.
- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection by the members up to the date of AGM, i.e. 30th September, 2022. Members seeking to inspect such documents can send an email to cs@espirehospitality.com .
- 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 from with a depository. The implication of this amendment is, post December 05, 2018 equity shares of the Company which are held in physical form by some shareholders can be continued to be held by them in physical form, but cannot be further transferred by the Company or its R&T Agent except in case of transmission & transposition matters.
- In view above, we request the shareholders holding shares in physical form to kindly dematerialize equity shareholding in EHL

- **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:**
- The remote e-voting period begins on 27th September,2024 at 09:00 A.M. and ends on 29th September, 2024 at 05: 00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2024 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 02nd September,2024
- **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**
- **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e- Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typingthe following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e- Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen willopen. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e- Voting service provider i.e. NSDL and you will be redirected toe-Voting website of NSDL for casting your vote during theremote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page byproviding demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate theuser by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e- Voting is in progress.
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 useForget User ID and Forget Password option available at abovementioned website.

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

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or 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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser
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

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. Castyour vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001***
	and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are givenbelow:

a) If you are already registered for e-Voting, then you can user your existingpassword 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

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 youremail 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-digitclient ID for NSDL account, last 8 digits of client ID for CDSL account

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are notregistered.**

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 yourdemat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you cansend a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your

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" byselecting 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 prom
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on confirmation page.

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

General Guidelines for Shareholders

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

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

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

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

- **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 10th 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.
- **Item No:03 & 04**
- The Board at their meeting held on 31st December,2023 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. Akhil Arora as an Additional Director of the company, as per the provisions of section 161 of the Companies Act,2013, he holds his office as an additional director upto 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. Akhil Arora Singh as Director of the Company.

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

The resolution seeks the approval of members for the regularization of Mr Akhil Arora as Director of the Company commencing from 01st January,2024 not retire by rotation

In the opinion of the Board, Mr. Akhil Arora fulfills the conditions for his as specified in the Act and the SEBI Listing Regulations.. Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Mr. Akhil Arora ,the Board of Directors at its meeting held on 31st December,2023 approved the appointment of Mr Akhil Arora as mentioned in the resolution.

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. Akhil Arora

Name of the Director	Mr. Akhil Arora
Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment
Date of appointment & term of appointment	31.12.2023 Appointed as an Additional Director (Executive, Non- Independent) of the Company to hold office in terms of Section 161(1) of the Companies Act,2023
Age (Years)	42
Brief Resume/ Nature of Expertise in functional areas	Mr. Akhil Arora has 13 years of experience with India's leading hospitality brands including Oberoi, Leela, Hyatt, Renaissance and The Imperial, after which he moved to Hotelivate to set up and successfully run their Asset Management division. His diverse knowledge in hotel operations and business strategy encompasses experience of working in Rooms Division, Food & Beverage service, Sales & Marketing and Revenue Management.
Relationship between directors interse	No relationship
Names of listed entities in which holds the directorship and the membership of Committees of the board;	Nil
Shareholding (Numbers of shares)	Nil

- **Item no:05**
- During the 31st 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.100.00 Crores (Rupees Hundred Crores 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 02nd September,2023 they proposed to increase the limits from Rs 100.00 Crores to Rs 500 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. 500.00 Crores (Rupees Five 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. 05 of the accompanying Notice for the approvalof 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:06**
- 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. 500.00 Crore (Rupees Five 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. 06 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:07**

- As per the approvals of the Board/ Audit Committee & Shareholders in the last Annual General meeting/ Extra Ordinary General Meeting, the company has been undertaking various related party transactions however the Board/ Audit Committee has approved/recommended some other related party transactions w.e.f 30th May,2024 with M/s Espire Conglomerate Private Limited for Inter Corporate Borrowings .

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

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

S No	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	Espire Conglomerate Private Limited	Mr. Amit Rai Mr. Gagan Oberoi	Group Company (Espire Group)	Upto Rs 100.00 Crores	Inter Corporate Borrowing at the bank interest rate

- All related parties shall abstain from voting on these resolutions

Form No.MGT-11
Proxy Form
(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Act (Management and Administration) Rules, 2014
CIN: L45202UR1991PLC000604
Name of the company: ESPIRE HOSTPITALITY LIMITED
Registered office: Shop#1, Country Inn, Mehragaon, Bhimtal, Uttarakhand-248179

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

- I /We, being the member(s) of__shares of the above named company ,hereby appoint:-
- Name:___
- Address:_____
- Email id:_
- Signatures_____, or falling him

- Name:___
- Address:_____
- Email id:_
- Signatures_____or falling him

- 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 33rd Annual General Meeting of the company, to be held on the Saturday, 28th September,2024 at 10:30 AM at" Country Inn Nature Resorts , Mehragaon ,Bhimtal, Uttarakhand-248179, and at the any adjournments thereof in respect of such resolutions as are indicated below:

Sl Number	Description	For	Against
Ordinary Resolution			
1	Adoption of Audited Financial Statements of the Company for the financial year ended March 31,2024 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 Resolution			
3	Appointment of Mr. Akhil Arora (DIN: 09436540) as a Director of the Company		
4	Appointment of Mr. Akhil Arora (DIN: 09436540) as the Managing Director and CEO of the company.		
5	Approval of Borrowing Limits of the Company		
6	Authorisation For Loans And Investments By The Company		
7	Approval of Related Party Transactions		

Signed this day of____2024
Signatures of shareholder_____

Affix Revenue Stamp

Signatures of Proxy holder(s) ____

- Note:
- 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
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the Thirty First Annual General Meeting.
- 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

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 28th September,2024 at "**Country Inn Nature Resorts ", Mehragaon, Bhimtal, Uttarakhand-248179**.

- Clint id/Folio Number____

- Signature of attending Member/Proxy_____

Corporate Information

Company Secretary & Compliance Officer

Sumeer Narain Mathur

Corporate Office:-

A-41, Mohan Estate, New Delhi-110044

Email: cs@espirehospitality.com

- **Registrar & Transfer Agent**

❑M/s. Skyline Financial Services Private Limited(Unit- Espire Hospitality 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

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HOSPITALITY GROUP

33RD

ANNUAL REPORT - FY 2023-24

ESPIRE HOSPITALITY LIMITED

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Managing Director & CEO's Message

Dear Esteemed Shareholders,

- It is with great pride and privilege that I address you for the first time as the Managing Director & CEO of Espire Hospitality Limited. I am committed to steering the Company to greater heights.
- The year 2023-24, bring back the golden days of growth post the era of Covid-19, the Indian economy had a 7.6% GDP growth making it the fastest-growing large economy in the world. According to the Reserve Bank of India's recent Monetary Policy Report our GDP growth is expected to remain strong at 7% in 2024-25.
- The Indian economy is blooming these days and so is the tourism sector which is showing a strong resurgence post the effect of the Covid-19. The tourism sector is expected to grow annually at 7.1% according to the World Travel and Tourism Council's Economic Impact 2023 report.
- We are witnessing a robust increase in demand for leisure travel, and people want unique experiences across various destinations.
- The year 2023-24 was also a milestone year in which the company witnessed multifold growth.

Managing Director & CEO's Message

- Some of the significant achievements of the company during the year:

  - Entering into an agreement with Brentwoods International Limited for its hotel/resort at Kosi, wherein the conceptualization work has commenced is expected to be operational by 2027.

  - Entering into an agreement with Espire Resorts Private Limited agreement for its "Fort Barwara" hotel/resort, thereby bringing the renowned "Six Senses Fort Barwara" under the umbrella of Espire Hospitality which brings lots of operational and functional synergies into the company.

  - Your company was able to get the renovation completed for its luxurious resort at Jim Corbett and making it operational in the last week of March, 2024.

  - Entering into an agreement for a hotel/resort (upcoming) in the holy city of Ayodhya.

At Espire Hospitality Limited, our story is one of passion, dedication, and a relentless pursuit of excellence in the world of hospitality. Founded over two decades ago, we have grown from humble beginnings into a leading name in the industry, renowned for our commitment to delivering unparalleled guest experiences and creating cherished memories.

Six Senses Fort Barwara, ZANA Luxury Resorts and Country Inn Hotels & Resorts, our renowned brands, are a testament to our commitment to quality and excellence. Each of our resorts is designed to provide a tranquil and luxurious escape, where guests can unwind and reconnect with nature. Our properties are thoughtfully located in some of the most scenic destinations in India, offering a perfect blend of comfort, luxury, and natural beauty.

Espire Hospitality Limited, a distinguished arm of the Espire Group, is a testament to the legacy of one of India's most progressive and dynamic enterprises. The Espire Group, a renowned fully private conglomerate, stands tall with its diverse portfolio that spans across Information Technology, Hospitality, Infrastructure Development, and Education. With a global footprint, the Espire Group is recognized for its relentless focus on innovation, quality, and customer satisfaction, consistently delivering exceptional experiences and solutions that cater to the ever-evolving needs of international markets. The group's Investment Plus grade status in banking circles further underscores its financial strength and stability.

- Espire Hospitality is a shining example of the parent company's commitment to excellence. Our hospitality division is marked by a unique and diverse portfolio that sets us apart in the industry. As both hotel owners and operators, we possess a comprehensive understanding of the hospitality landscape, enabling us to create and manage properties that offer unparalleled experiences to our guests.
- At the pinnacle of our portfolio is the Six Senses Fort Barwara, a luxurious resort in Sawai Madhopur, Ranthambore that we proudly own. This property, which is India's newest and most acclaimed luxury resort, exemplifies our dedication to preserving heritage while offering modern, world-class amenities. Six Senses Fort Barwara has quickly become a landmark of opulence, drawing visitors from around the globe to experience its unique blend of history, culture, and contemporary luxury.
- The latest addition to the Espire Hospitality portfolio is ZANA Luxury Resorts, launched in 2022. This new brand represents the convergence of luxury and unparalleled hospitality, offering an elevated travel experience for the discerning traveler. ZANA Luxury Resorts are currently located in Udaipur, Ranthambore, and Jim Corbett, each offering a bespoke escape that reflects the natural beauty and cultural richness of its surroundings. The ZANA brand is poised to set new standards in luxury travel, with a focus on personalized service, exquisite accommodations, and immersive experiences.
- In addition to our luxury offerings, we operate a well-established mid-market resort chain under the brand name Country Inn Hotels and Resorts. This brand has become synonymous with comfort, quality, and value, with properties in some of India's most sought-after destinations, including Bhimtal, Jim Corbett, Udaipur, Mussoorie, Amritsar, Goa, and Vrindavan. Each Country Inn property is designed to provide a serene and welcoming environment, making it a preferred choice for families and travelers seeking memorable getaways.
- As Espire Hospitality continues to expand, our commitment to excellence remains unwavering. We are driven by a passion to create exceptional experiences that resonate with our guests and leave a lasting impression. Our strategic growth is guided by the principles of innovation, quality, and sustainability, ensuring that we not only meet but exceed the expectations of our guests and stakeholders.
- Espire Hospitality is not just a part of the Espire Group's illustrious portfolio; it is a reflection of our values, our vision, and our commitment to redefining hospitality in India and beyond. As we continue to grow and evolve, we remain dedicated to delivering on our promise of luxury, comfort, and unforgettable experiences.

CORPORATE INFORMATION

- **Board of Directors**

Non Independent 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)

Independent Directors

- Mr. Amit Kumar Jain
  Independent Director (DIN: 00334133)
- Mr. Pramod Bhatnagar
  Independent Director (DIN: 02269852)
- Mr. Dileep Kumar
  Independent Director (DIN: 08242564)

- **Key Managerial Personnel**

- Mr. Akhil Arora
  Managing Director & CEO
- Mr. Rajeev Chatterjee
  Chief Financial Officer
- Mr. Sumeer Narain Mathur
  Company Secretary & Compliance Officer

COMMITTEES OF DIRECTORS

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

- **NOMINATION & REMUNERATION COMMITTEE**
  - Mr. Dileep Kumar - Chairman
  - Mr. Pramod Bhatnagar-Member
  - Mr. Amit Kumar Jain –Member

- **STAKEHOLDERS RELATIONSHIP COMMITTEE**
  - Mr. Dileep Kumar - Chairman
  - Mr. Pramod Bhatnagar-Member
  - Mr. Amit Kumar Jain -Member

- **RISK MANAGEMENT COMMITTEE**
  - Mr. Dileep Kumar - Chairman
  - Mr. Pramod Bhatnagar-Member
  - Mr. Amit Kumar Jain -Member

- **COMMITTEE OF DIRECTORS**
  - Mr. Dileep Kumar - Chairman
  - Mr. Pramod Bhatnagar-Member
  - Mr. Amit Kumar Jain –Member

❑**Registrar & Transfer Agent**

M/s. Skyline Financial Services Private Limited(Unit- Espire Hospitality 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

❑**Bankers**

✓ ICICI Bank

✓ State Bank of India

✓ HDFC Bank

❑**Listing of Equity**

✓ BSE (Bombay Stock Exchange)

✓ Security Code: Espire/532016

✓ CIN:L45202UR1991PLC000604

❑**Quick Links for investors**

cs@espirehospitalty.com

investors@espirehospitality.com

❑**Auditors**

✓ **Statutory Auditors**

Bansal & Co, LLP (Chartered Accountants), New Delhi

✓ **Internal Auditors**

Kapil Aman & Associates (Chartered Accountants), New Delhi

✓ **Secretarial Auditors**

RSH & Associates Practicing Company Secretary , Delhi

❑**Registered Office:-**

Shop#1, Country Inn Bhimtal Mehragaon, Uttarakhand-248179.

❑**Corporate Office**:-

A-41, Mohan Estate, New Delhi-110044

Experiences that inspire the soul

- ❑Six Senses Fort Barwara, Ranthambore
- ❑ZANA – A Luxury Escape, Jim Corbett
- ❑ZANA Lake Resort, Udaipur
- ❑ZANA Forest Resort, Ranthambore
- ❑Country Inn Nature Resort, Bhimtal
- ❑Country Inn Tarika Riverside Resort, Jim Corbett
- ❑Country Inn Hall of Heritage, Amritsar
- ❑Country Inn Tarika Goa, Varca Beach
- ❑Country Inn Resort, Vrindavan
- ❑Country Inn Premier Pacific Resort, Mussoorie

SIX SENSES
FORT BARWARA

ZANA
LUXURY RESORTS

COUNTRY INN
HOTELS & RESORTS

Six Senses Fort Barwara, Ranthambore

A beautiful 14th-century fort converted to become a Six Senses sanctuary of well-being. Originally owned by a Rajasthani Royal Family, it faces the Chauth ka Barwara Mandir (Temple). The significant conservation effort incorporates two palaces and two temples within the walled fort. The design of Six Senses resort in Rajasthan reinterprets the gracious and regal ambiance of a bygone era dating back 700 years.

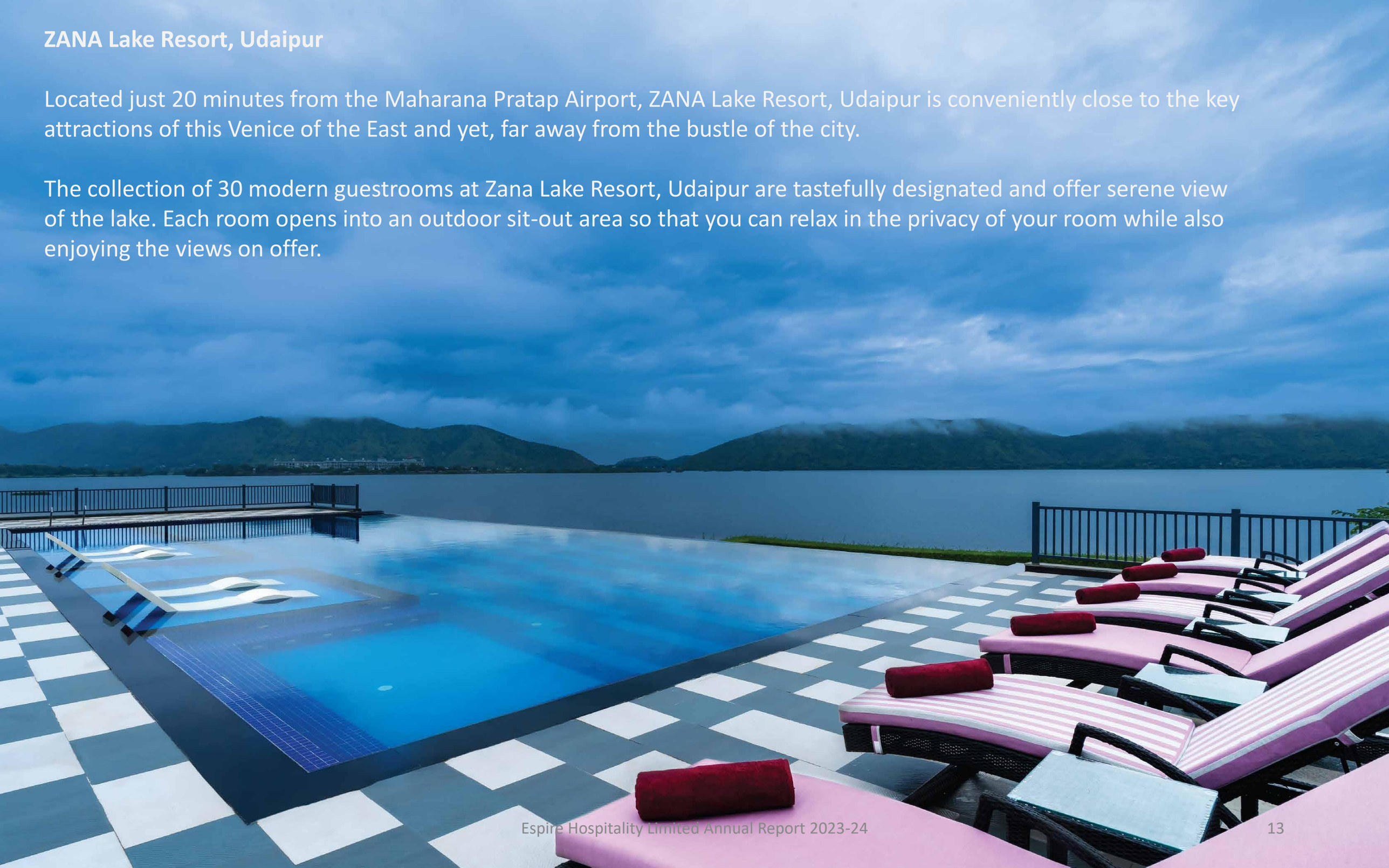
ZANA - A Luxury Escape, Jim Corbett

Experience wild luxury steeped in natural settings at ZANA - A Luxury Escape – Dhikuli, Jim Corbett. Reminiscent of a warm and cosy country house in England with splendid gardens, woodland and European inspired architecture featuring characterful design elements like wood cladding, shingle roofs, stone work and stunning fireplaces, the resort seamlessly melds luxury with nature. Imagine immersive spaces and experiences set in a dramatic landscape of giant trees, grouping together to replicate a forest – this is ZANA.

ZANA Lake Resort, Udaipur

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

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



ZANA Forest Resort, Ranthambore

Experience unhindered opulence and a deep connection with nature at ZANA Forest Resort, Ranthambore.

You will find your senses immersed in the magical, serene touch of nature as soon as you enter this enchanting resort, spread across six acres of lush land. ZANA Forest Resort, Ranthambore is a tasteful amalgamation of traditional architecture and modern aesthetic, a contemporary take to immerse travellers in the local beauty and distinct character of the destination.

Country Inn Nature Resort- Bhimtal

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

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

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

Country Inn Tarika Riverside Resort, Jim Corbett

If you are a wildlife lover, a visit to the natural habitat of Jim Corbett National Park is a must-have experience. Located on the foothills of Himalayas, it is the home to spectacular wildlife and one of the best places to spot the Royal Bengal Tiger. Explore the magical landscape of the forest and lush green pathways cut across by the river and scenic waterfalls, or even camp overnight under starry skies, if you fancy.

A unique confluence of relaxation, adventure and serenity, Country Inn Tarika Riverside Resort, Jim Corbett is your blissful escape to kick-off your adventure in the wild. Set in the natural surroundings of the forest, only 25 meters away from the pristine Kosi River and Himalayas framing the backdrop, Country Inn Tarika Riverside Resort, Jim Corbett is an ideal base to explore the rich diversity of Jim Corbett.

With inspirational architecture and landscaped gardens, the resort features an outdoor swimming pool, game arcade, a unique bonfire area and two dining outlets including 'The Courtyard', a multi-cuisine restaurant and 'The Kebab Factory', an Indian specialty restaurant to relish an unlimited feast of some celebrated kebabs and curries of India

Country Inn Hall of Heritage, Amritsar

Located only 800 meters away from the holy shrine, the stunning Golden Temple, Country Inn Hall of Heritage, Amritsar welcomes you to the city draped in rich history, culture, and traditions. The moment you step into the lively by-lanes of Amritsar, you're embraced by the bustling streets, aroma of the local cuisine, and the strain of devotional music. In addition to spiritual enrichment, witness the fervor of the Wagah border, located at a short drive from the hotel. After an unforgettable day of sightseeing, satiate your desire for a wholesome meal, with flavorful cuisine at our multi-cuisine restaurant - Heritage.

Country Inn Tarika Goa, Varca Beach

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

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

Country Inn Resort, Vrindavan

In the sacred city of Vrindavan, at a 3-hour drive from New Delhi, Country Inn Resort, Vrindavan is located close to the key temples and tourist attractions. The resort features modern rooms, a multi-cuisine all-day dining restaurant, and an Indian specialty restaurant. It is your perfect base to explore the rich culture of the sacred city.

Country Inn Premier Pacific Resort, Mussoorie

Nestled amidst the picturesque hills, Country Inn Premier - Pacific, Mussoorie is conveniently located at a walking distance of 500 meters from the heart of the town Mall Road and close to the attractions like Gun Hill and Kempty Falls, offering an ease to explore the destination. The mountain resort boasts of 48 well-appointed rooms, awe-inspiring views eliciting a restful state of mind and delightful experiences, promising guests a rejuvenating and soul-filling stay.

About the Report

❑BASIS OF PREPARATION

- The non-statutory section of this Report is based on the principles contained in the International Integrated Reporting Framework (the International Framework) published by the International Integrated Reporting Council (IIRC). This Report seeks to provide a balanced and transparent assessment of how we create value, considering both qualitative and quantitative matters that are material to our operations and strategic objectives, which may influence our stakeholders' decision-making.
- Other statutory reports, including the Directors' Report, its annexures, the Management Discussion and Analysis (MDA) and the Corporate Governance Report, are as per the Companies Act, 2013 (including the Rules framed thereunder), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the revised Secretarial Standards issued by the Institute of Company Secretaries of India. The financial statements are in accordance with the Indian Accounting Standards.

❑REPORTING PERIOD

- The EHL Limited Report provides material information on our strategy and business model, operating context, risks, performance, prospects and governance, covering the financial year between April 1, 2023 and March 31, 2024.

❑FORWARD LOOKING STATEMENT

- In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward- looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using

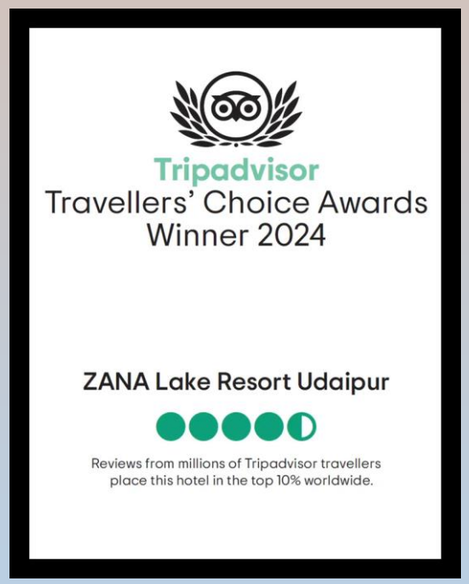
words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions.

Should know or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. The information/disclosures made in this Annual Report are as on date of respective report and document and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Rewards & Recognitions

During the year the company was recognized with various rewards by The Times of India & TripAdvisor



Board's Report

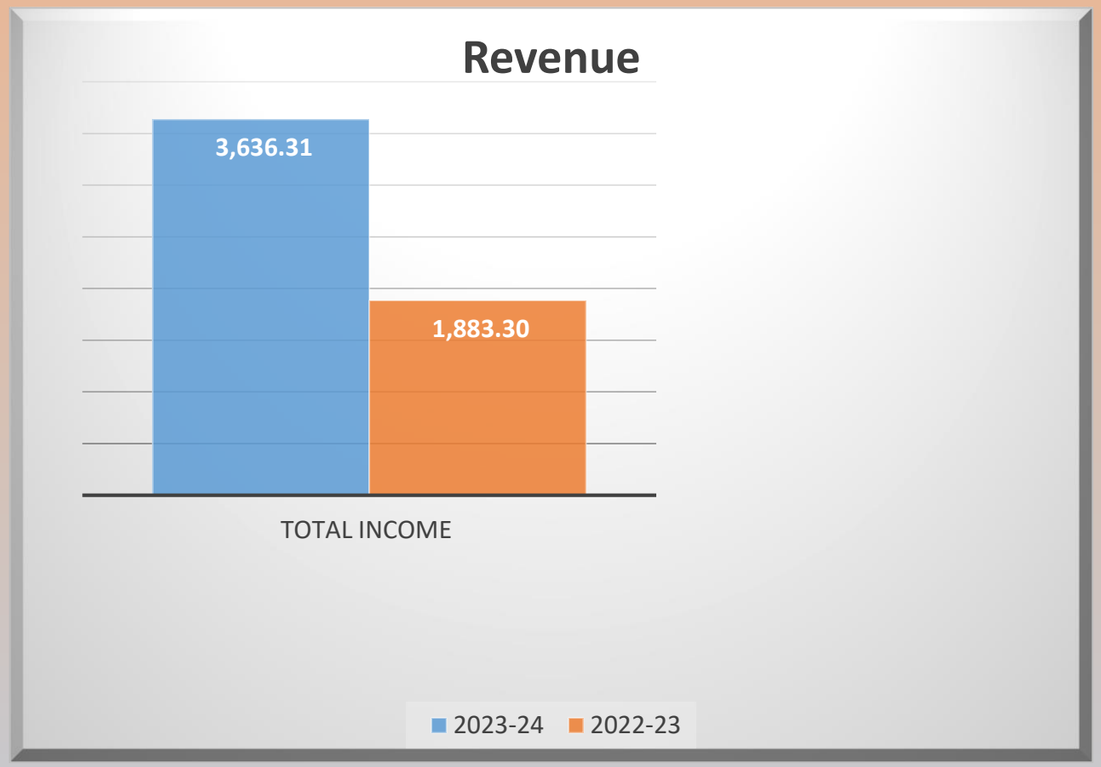
Dear Shareholders,
Your Directors are pleased to present their 33rd Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2024

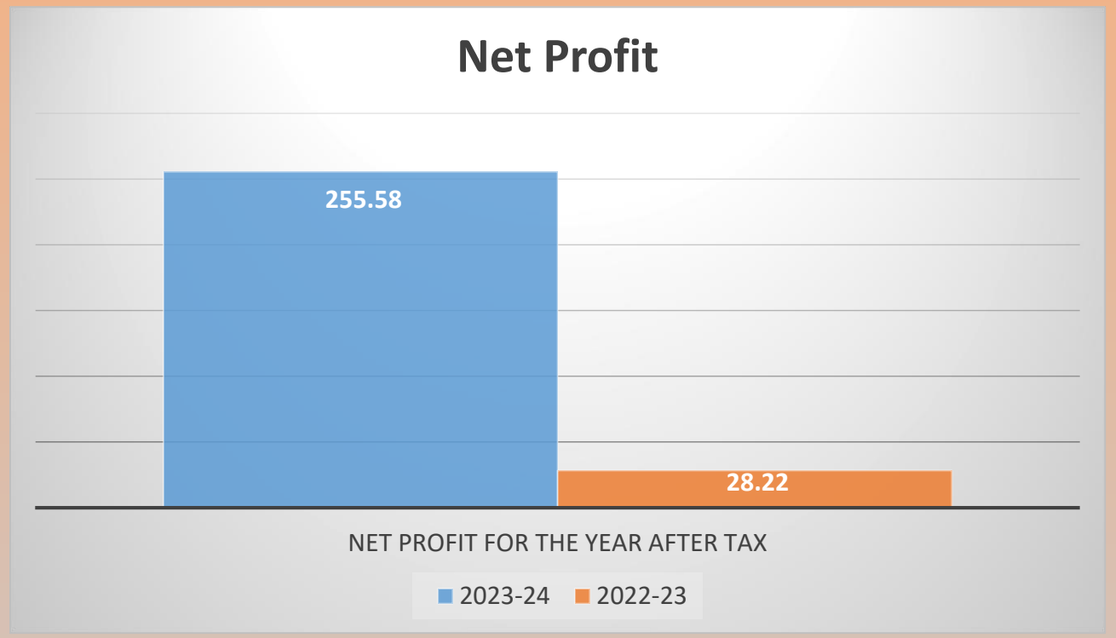
1. **Financial Highlights** -The highlights of the financial results of the Company for the financial year ended March 31, 2024 are as under:-

Financial Highlights		
		Rs Lakhs
Particulars	**2023-24**	**2022-23**
Income		
Revenue from operations	**3,575.91**	**1,865.11**
Other Income	**60.40**	**18.19**
Total Income	**3,636.31**	**1,883.30**
Expenditure		
Cost of Materials Purchased	**383.28**	**214.67**
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	**4.31**	**21.63**
Employee benefits expense	**734.16**	**588.16**
Other expenses	**1,760.28**	**682.05**
Profit Before Depreciation Interest & Tax	**754.28**	**376.78**
Less		
Finance Costs	**130.61**	**65.35**
Depreciation and amortization expense	**360.55**	**263.81**
Profit for the year before Tax	**263.11**	**47.61**
Tax expense:		
(1) Current tax	**19.50**	**36.11**
(2) Deferred tax	**(11.96)**	**(16.71)**
Net Profit for the year after Tax	**255.58**	**28.22**
Other Comprehensive Income Net	**(0.60)**	**6.01**
Total Comprehensive Income for the year	**256.18**	**22.21**
Earnings per equity share	**1.90**	**0.16**

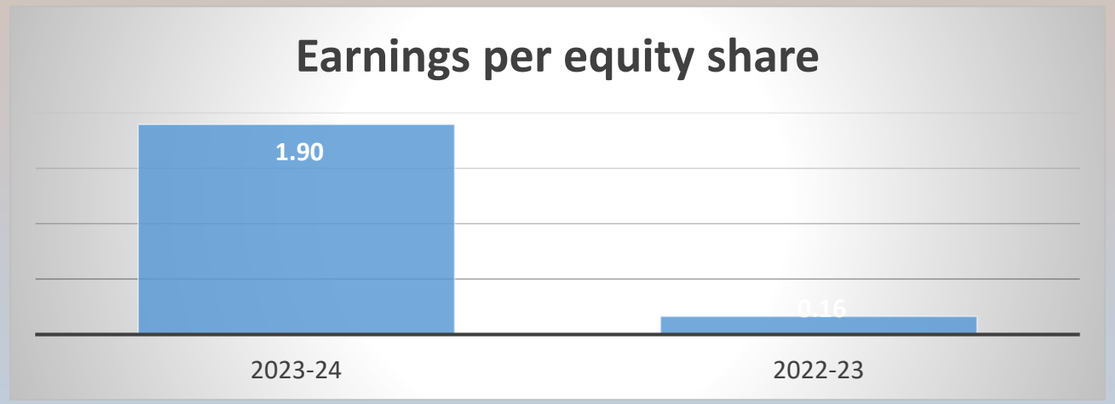
2. Review of Operations & Business - KEY FINANCIAL HIGHLIGHTS

During the year under review the revenue of the company has jumped up by 93% due to synergies of operations coupled with young and dynamic Hotel operations team .
During the year your company was able to add 105 room Keys in its kitty which helped the company to almost double the turnover for the year





During the year the company was also able to improve its Net Profits from 28.22 lakhs recorded in the financial year 2022-23 to Rs 255.58 lakhs in the financial year 2023-24



The earning per share also increased from Rs 0.16 to Rs 1.90 during the financial year 2023-24

3. Share Capital

During the year under review, the Company has increased its Authorized Share Capital from Rs 15 Crores to 25 Crores

There was no change in the issues, subscribed and paid-up capital ,During the year under review, the Company did not issue any shares with differential rights as to dividend, voting or otherwise.

4. Dividend

In compliance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"),the Dividend Distribution Policy of the Company is annexed herewith as Annexure I and is also available on the Company's website at: https://www.espirehospitality.com/investors/investor-information

However the company has not declared any dividend for the year.

5.Transfer to Reserve

The Directors of your Company do not propose to transfer any amount to reserves

6. Related Party Transaction

All transactions entered with related parties during the year under review were on arm's length basis and in the ordinary course of business. Your Company has not entered into any contracts / arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company i.e. Policy on Materiality of and dealing with Related Party Transactions ("RPT Policy"). Further, transactions entered by the Company with related parties in the normal course of business were approved by the Audit Committee and placed before the Board.There were no materially significant related party transactions with the Promoters, Directors and Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large. The RPT Policy as approved by the Audit Committee and the Board is available on the website of the Company at: https://www.espirehospitality.com/investors/investor-information The Directors of your Company draw attention of the Members to Note No. 33 to the Standalone Financial Statements which sets out related party disclosure.

7. Particulars of Loans and Advances,Guarantees, Investments and Securities

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

8. Significant and Material Orders passed by the Regulators or Courts

There were no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its operations in the future.

9. Corporate Social Responsibility

Section 135 of the Companies Act,2013 are not applicable on the company , as none of the prescribed conditions are applicable on the company.

10. Business Responsibility and Sustainability Reporting

The provisions of BRSR are not applicable on the company for the f.y 2023-24

11.Corporate Governance Report

A Report on Corporate Governance along with a certificate from the Statutory Auditors of the Company regarding the compliance of conditions of corporate governance as stipulated under Schedule V of the SEBI Listing Regulations, forms part of this Annual Report

13. Management Discussion and AnalysisReport

A detailed analysis of the Company's operational and financial performance as well as the initiatives taken by the Company in key functional areas such as Resort Operations, Member Experience, Business Excellence, Human Resources and Information Technology are separately discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

14. Whistle Blower Policy & Vigil Mechanism

As per the provisions of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company is required to establish an effective Vigil Mechanism for Directors, employees and other stakeholders

to report genuine concerns. The details of the Whistle Blower Policy and Vigil Mechanism have been disclosed in the Corporate Governance Report, which forms part of this Annual Report

15. Employees' Stock Options

Employees' Stock Options represent a reward system based on overall performance of the individual employee and the Company. It helps the Company to attract, retain and motivate the best available talent. This also encourages employees to align individual performances with those of the Company and promotes increased participation by the employees in the growth of the Company. However the company has not announce any ESOP during the year under report.

16. Subsidiaries, Joint Venture and Associate companies

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

17.Directors

Your Company has 7 Directors, which includes 3 Independent Directors, 3 Non-Executive Non-Independent Directors ((including 1 woman Director)and 1 Managing Director.

Mr. Prithvi Raj Singh has shown his inability to continue as the Managing Director and Director of the company, accordingly he has submitted his resignation w.e.f 29th of December,2023.

Further, the Board at its Meeting held on 31st December,2023 ,appointed Mr. Akhil Arora as an Additional Director and also as the Managing Director designated as Managing Director and Chief Executive Officer of the Company, not liable to retire by rotation, for a period of 5 (five) years w.e.f. 01st January,2024 to 31st December,2028(both days inclusive), based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Shareholders .He shall hold office as an Additional Director upto the date of the ensuing AGM.

The Company has received the requisite Notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company. The approval of the shareholders for appointment of Mr. Akhil Arora as a Director and also as the Managing Director designated as Managing Director and Chief Executive Officer of the Company would be obtained at the ensuing AGM of the Company.

18. Declaration by Independent Directors under Sub-section (6) of Section 149 of the Act

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and SEBI Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of Independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and that they are Independent of the Management. In the opinion of the Board, there has been no change in the circumstances affecting their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable Rules thereunder) of all Independent Directors on the Board.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors of the Company have confirmed that they have registered themselves with the databank maintained by Retirement by rotation Mr. Amit Rai , retires by rotation and being eligible, offers himself for re-appointment at the ensuing AGM of the Company scheduled to be held on 30th September,2024.

19. Key Managerial Personnel ("KMPs")

Pursuant to the provisions of the Act, as on March 31, 2024, Mr.Akhil Arora, Managing Director & CEO, Mr. Rajeev Chatterjee, Chief Financial Officer and Mr. Sumeer Narain Mathur Company Secretary & Chief Compliance Officer are the KMPs of the Company. During the year under review, Mr. Prithvi Raj Singh resigned as the Managing Director and Key Managerial Personnel of the Company w.e.f. the close of business hours on 29th December,2023 Further, the Board of Directors at their Meeting held on 31st December,2023 appointed Mr. Akhil Arora as the Managing Director and Key Managerial Personnel of the Company .
Further during the year Mr Sumeer Narain Mathur holding duel position of Company Secretary & Chief Financial Officer, stepped down from the post of Chief Financial Officer w.e.f 14th August,2023 and Mr Rajeev Chatterjee was appointed as the Chief Financial Officer w.e.f 15th August,2023.

20. Policy on Directors' Appointment and Remuneration

Your Company has adopted the following Policies which, positive attributes and independence of a Director:

1. Policy on Appointment of Directors and Senior Management

2. Policy on Remuneration of Directors and

3. Policy on Remuneration of Key Managerial Personnel and Employees

Policy (1) mentioned above includes the criteria for determining qualifications, positive attributes and independence of a Director, identification of persons who are qualified to become Directors and who may be appointed in the Senior

Management Team in accordance with the criteria laid down in the said Policy. Policies (2) and (3) mentioned above set out the approach for Compensation of Directors, Key Managerial Personnel and ther employees in the Company.

The aforesaid policies are also available at the link : https:// www.clubmahindra.com/investors/investor-information.

21. Board Evaluation

The Board has conducted an annual evaluation of its own performance, individual Directors, Committees of the Board

and that of its Non-Executive Chairperson, in terms of the relevant provisions of the Act, Rules made thereunder and

SEBI Listing Regulations. The Nomination and Remuneration Committee (''NRC'') has defined the evaluation criteria and procedure for the Performance Evaluation process for the Board, its Committees and Directors including Independent Directors. The criteria for Board Evaluation includes inter alia, composition and structure, effectiveness of board processes, information and functioning of the Board, etc. The criteria for evaluation of the Committees of the Board includes mandate of the Committee and composition and effectiveness of the Committee, etc. The criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, integrity, independence and contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

- In addition, the performance of the Chairperson is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairperson. The above criteria are based on the Guidance Note on Board Evaluation issued by the SEBI on January 5, 2017.
- The NRC has evaluated the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairperson of the Company was also carried out by the Independent Directors taking into account the views of the Executive Director and Non-Executive Directors. Performance Evaluation of Independent Directors was carried out by the entire Board excluding the Director being evaluated. The Annual Performance Evaluation was carried out by the Board in respect of its own performance as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders Relationship, Corporate Social Responsibility, Risk Management and Inventory Approval Committees. A structured questionnaire was prepared and circulated amongst the Directors, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committees thereof with regards to skill, experience, independence, execution and performance of specific duties, diversity, attendance and adequacy of time given by the Directors to discharge their duties, preparedness on the issues to be discussed, meaningful and constructive contributions, inputs at the meetings, Corporate Governance practices, etc. The Directors expressed their satisfaction with the evaluation process.

22. Number of Board Meetings

- During the year under review, the Board of Directors met 6 (six) times. The details of the Board Meetings and attendance
- of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

23. Composition of Audit Committee

- The Audit Committee comprises of 3 (three) Directors viz Mr Pramod Bhatnagar,Mr Amit Kumar Jain & Mr. Dileep Kumar, as its Chairperson . Further details are provided in the Corporate Governance Report, which forms part of this Annual Report. During the year under review, all recommendations of the Audit Committee were accepted by the Board.

24. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, your Directors, to their best of their knowledge and ability, confirm that :

a) in the preparation of the annual accounts for the year ended March 31, 2024, the applicable Accounting Standards had been followed and there is no material departure;

b) b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;

c) they have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- **25. Internal Financial Controls and their Adequacy**
- Your Company has an adequate internal controls system, commensurate with the size and nature of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and remoting operational efficiency.
- Pursuant to Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014, and based on the framework of internal financial controls and compliance systems established and maintained by the Company, the assessments and audit carried out by the internal auditors, and external consultants, including the audit of
- internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls laid down with reference to the Financial Statements were adequate and operating effectively during the financial year 2023-24.
- Further details are provided in the Management Discussion and Analysis Report, which forms part of this Annual Report
- **26. Risk Management**
- Your Company has a well-defined risk management framework to identify and evaluate elements of business risk. The Board of Directors have constituted the Risk Management Committee pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations and its prime responsibility is to oversee the implementation of the Risk Management Policy of the Company. Your Company has developed and implemented a Risk Management Policy which is approved by the Board. The Risk Management Policy, inter-alia, includes identification of risks, including cyber curity and related risks and also those which in the opinion of the Board may threaten the existence of the Company. The Audit Committee has an oversight in the area of financial risk and controls. Other details including details pertaining to various risks faced by your Company and also development

- **27. Disclosure requirements**

- Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, details of transactions with persons or entities belonging to the promoter/ promoter group which holds 10% or more shareholding in the Company, are furnished under Note No. 51 to the Standalone Financial Statements which sets out related party disclosure;

- The provisions in respect of maintenance of cost records as specified under sub-section (1) of Section 148 of the Act are not applicable to your Company;

- During the year under review, there was no change in the nature of business of the Company;

- During the year under review, there was no issue of shares (including sweat equity shares) to employees of the Company under any Scheme, save and except Employees Stock Option Schemes referred to in this Report;

- The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively;

- During the year under review, there was no revision of financial statements and Board's Report of the Company;

- During the year under review, your Company has not made any application and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016;

- Your Co mpany has no borrowings as on March 31, 2024 and hence, the requirement of providing details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks / financial institutions along with the reasons thereof is not applicable to the Company; and

- During the year under review, there were no voting rights which are not directly exercised by the employees in respect of shares for the subscription / purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially old shares as envisaged under section 67(3)(c) of the Act

28.Audiors

A1- Statutory Auditors

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

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

-

A2- Auditors Report

- The Report given by the statutory auditors for the financial year 2022-23 on the financial statement of the Company is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.
- **B-Secretarial Auditors**
- The Secretarial Audit was carried out by M/s. RSH & Associates, Company Secretaries (Peer Review Certificate number:1719/2022) for the financial year 2022-23. The Report given by the Secretarial Auditors is annexed as **Annexure – 3** and forms an integral part of this Report. Explanations to their qualifications are as under: **Annual Secretarial Compliance Report**
- In compliance with the Regulation 24A of SEBI Listing Regulations, your Company has undertaken an audit for the financial year 2023-24 for all applicable compliances as per SEBI Regulations and Circulars / Guidelines issued thereunder.
- The Annual Secretarial Compliance Report issued by M/s. RSM & Associates Secretaries, has already been submitted to the Stock Exchanges within 60 days from the end of the financial year and is annexed to this Annual Report.
- **29. Reporting of Frauds by Auditors**
- During the year under review, the Statutory Auditors and
- Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.
- **30. Deposits**
- Your Company has not accepted any deposits from public or its employees and, as such no amount on account of principal or interest on deposit were outstanding as of the Balance Sheet date.
- There are no deposits which are not in compliance with the requirements of the Act.
- **31. Credit Rating**
- There is no credit rating being undertaken by the company
- **32. Material Changes and Commitment affecting Financial Position of the Company**
- There are no material changes and commitments, affecting financial position of the Company which have occurred from the end of the financial year of the Company i.e. March 31, 2024 till the date of the Board's Report.
- **33. Annual Return**
- Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in form MGT-7, as of March 31, 2024, has been placed on the website f the Company and can be accessed at https://www.espirehospitality.com/investors/financials.
- **34. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**
- Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations. Some of these initiatives are discussed in the section on Sustainability in the Management Discussion and Analysis Report, which forms part of this Annual Report.
- 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.

- **35. Human Resources**
- Your Company is committed to fostering an inclusive and diverse workforce by actively focusing on hiring and development of diverse talent. During the year under review, the Company has rolled out various initiatives to strengthen inclusion at the workplace, for instance, workshops on “Unconscious Bias” and “Allyship” focused on leadership capability to lead and develop diverse teams. At Res orts, the Company has been hiring Specially Abled Talent and supporting them through mentorship initiatives and accessible resources to create an inclusive work environment that nurtures their growth and success.
- The Company continues its concerted efforts towards building talent from within and has a robust talent management process aimed to develop capability of talent to take on diverse role
- Disclosures pertaining to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- Your Company has a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”). Your Company has also complied with provisions relating to the constitution of Internal Complaints Committee under the POSH Act and the Committee includes external members from NGO and / or members with relevant experience. There were no complaints pending at the beginning of the year. During the year under review, 21 (Twenty One) complaints were received and 20 (Twenty) were resolved by taking appropriate actions as per the provisions of the POSH Act. 1 (One) complaint was pending as on March 31, 2024.
- **36. Particulars of Employees**
- The disclosure with respect to the remuneration of Directors, KMPs and employees under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“the Rules”), is annexed herewith as Annexure VI and forms part of this report.

- **37. Ethics Framework**
- The Company’s revised Code of Conduct (''the Code'') for employees outlines the commitment to the principles of integrity, transparency and fairness. The refreshed Code has been contemporized and aligned with the changes in the internal and the external environments. It enables the Company to make the right choices and demonstrate the highest standards of integrity and ethical behaviour. The Ethics & Governance framework is also anchored by clearly defined policies and procedures, covering areas such as Anti-Bribery and Anti-Corruption Policy, Policy on Gifts & Entertainment, Policy on Prevention of Sexual Harassment at Workplace and Whistle Blower Policy to ensure robust Corporate Governance.
- **38. Acknowledgement and Appreciation**
- The Directors of your Company take this opportunity to thank the Company’s Customers, Shareholders, Suppliers, Bankers and the Central and State Governments for their unstinted support. The Directors would like to place on record their appreciation to the employees at all levels for their hard work, dedication and commitment.

For & On Behalf of the Board.

Gagan Oberoi — Place: New Delhi

Chairperson — Delhi: 02nd Sept, 2024

ANNEXURE I TO THE BOARD'S REPORT FOR THE YEAR ENDED MARCH 31, 2024

Dividend Distribution Policy

- The Dividend Distribution Policy ("the Policy") establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. The Policy shall come into force for the accounting period beginning from 1st April, 2016.
- Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value of ` 10 each. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date. Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders ,out of the profits of the Company for the current year or out of profits of the Company for any previous financial years or out of both, as may be permitted under the Companies Act, 2013 ("the Act").
- In the event of inadequacy or absence of profits in any year, the Board may recommend to declare dividend out of the accumulated profits earned by the Company in any previous financial years and transferred to free reserves, provided such declaration of dividend shall be in accordance with the provisions of the Act and Rules framed thereunder.
- The Board may also declare interim dividend as may be permitted by the Act.
- The Company's dividend policy aims to balance the objective of appropriately rewarding shareholders through dividends and to support the future growth. As in the past, subject to the provisions of the applicable laws, the Company's dividend payout will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return. Within these parameters, the Company would endeavor to maintain a total dividend pay-out ratio in the range of 20% to 40% of the annual standalone Profit After Tax (PAT) of the Company. While determining the nature and quantum of the dividend payout, including amending the suggested payout range as above, the Board would take into account the following factors:
- Internal Factors:
- i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with
- a. Previous years and
- b. Internal budgets,
- ii. Cash flow position of the Company,
- iii. Accumulated reserves,
- iv. Earnings stability,
- v. Future cash requirements for organic growth/ expansion and / or for inorganic growth,
- vi. Brand acquisitions,
- vii. Current and future leverage and, under exceptional circumstances, the amount of contingent liabilities

- viii. Deployment of funds in short term marketable investments,
- ix. Long term investments,
- x. Capital expenditure(s), and
- xi. The ratio of debt to equity (at net debt and gross debt level).
- • External Factors:
- i. Business cycles,
- ii. Economic environment,
- iii. Cost of external financing,
- iv. Applicable taxes including tax on dividend,
- v. Industry outlook for the future years,
- vi. Inflation rate, and
- vii. Changes in the Government policies, industry specific rulings & regulatory provision
- Apart from the above, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.
- The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. In such event, the Board will provide rationale in the Annual Report.

- The retained earnings of the Company may be used in any of the following ways:
- i. Capital expenditure or working capital,
- ii. Organic and / or inorganic growth,
- iii. Investment in new business(es) and / or additional
- investment in existing business(es),
- iv. Declaration of dividend,
- v. Capitalisation of shares,
- vi. Buy back of shares,
- vii. General corporate purposes, including
- contingencies,
- viii. Correcting the capital structure,
- ix. Any other permitted usage as per the Act.
- Information on dividends paid in the last 5 years is provided
- in the Annual Report.
- This policy may be reviewed periodically by the Board. The Policy will be available on the Company's website and the link to the policy is https://www.clubmahindra.com/about-us/ policies.
- The Policy will also be disclosed in the Company's Annual Report.

For & On Behalf of the Board.

Gagan Oberoi
Chairperson

Place: New Delhi
Delhi: 02nd Sept, 2024

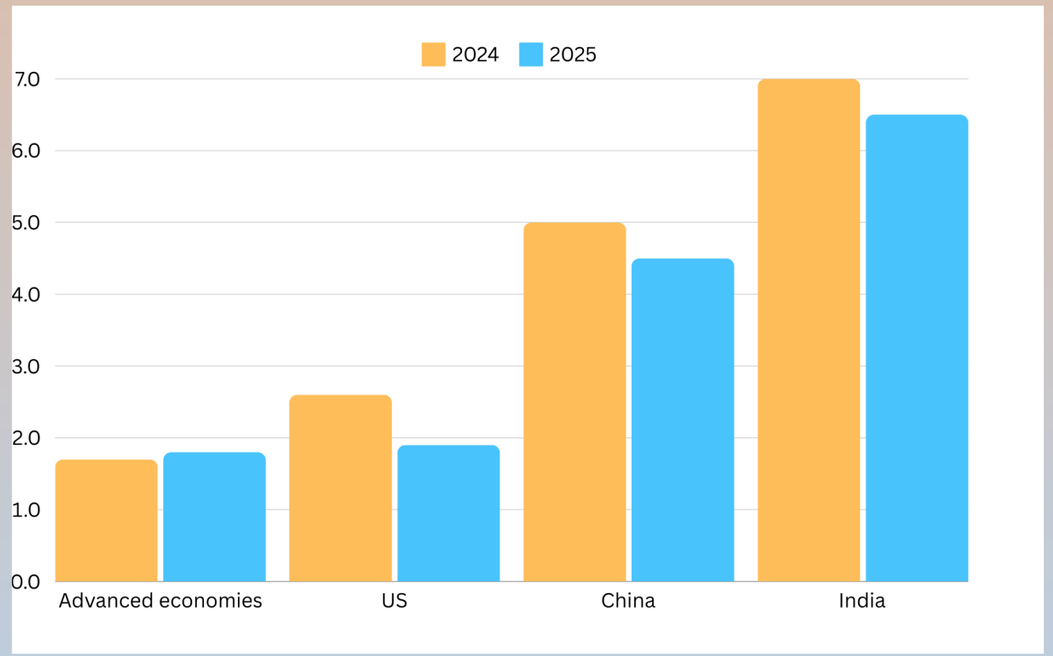
Management Discussion and Analysis Report

- **MANAGEMENT DISCUSSION & ANALYSIS**
- EHL is very much endeavour to establish its footprints in the Hotel Industry to provide ultra-luxury and guest friendly stay at its hotels and resorts
- This Management Discussion and Analysis ("MDA") Report presents an overview of the operational and financial performance of the Company. It also discusses the opportunities, Espire Hospitality's strategy and important initiatives taken by it during the year.

Industry structure & developments

- **Global Economics**
- The International Monetary Fund (IMF) in its April,2024 edition of Work Economic Outlook mentioned that Global growth is projected to be in line with the April 2024 World Economic Outlook (WEO) forecast, at 3.2 percent in 2024 and 3.3 percent in 2025. Services inflation is holding up progress on disinflation, which is complicating monetary policy normalization. Upside risks to inflation have thus increased, raising the prospect of higher for even longer interest rates, in the context of escalating trade tensions and increased policy uncertainty. The policy mix should thus be sequenced carefully to achieve price stability and replenish diminished buffers.
- IMF Analyzed that growth is expected to raise from 1.6 % in 2023 to 1.7 % in 2024 and 1.8% in 2025 ,however the same shall be offset by the modest slowdown in emerging market and developing economics from 4.3 % in 2023 to 4.2 % in both 2024 and 2025.
- IMF further forecasted that for global growth five years from now—at 3.1 percent is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025,
-

- The International Monetary Fund (IMF) has upgraded India's gross domestic product (GDP) in the FY2024-25 by 20 basis points to 7 percent. The IMF has revised upward its forecast from the previous estimate of 6.8 percent in April.
- The IMF's latest 'World Economic Outlook' report indicates that India's economic growth forecast for the current year has also been raised to 7.0 percent. The development has come in the backdrop of notable rise in consumption prospects, especially in rural areas.
- With this, India continues to maintain its position as the fastest-growing economy among emerging markets and developing economies.



- The IMF report stated that The forecast for growth in emerging markets and developing economies has been revised upward; this increase is powered by stronger activity in Asia, particularly China and India. The forecast for growth in India has also been revised upward to 7 per cent this year, reflecting carryover from upward revisions to growth in 2023 and improved prospects for private consumption, particularly in rural areas.
- **Hospitality Sector**
- **Global Scenario**
- In 2023, the total contribution of travel and tourism to the global gross domestic product (GDP) was roughly four percent lower than in 2019, the year before the COVID-19 pandemic. Overall, the contribution of travel and tourism to the global GDP amounted to 9.9 trillion U.S. dollars in 2023. This figure was predicted to reach an estimated 11.1 trillion U.S. dollars in 2024, exceeding pre-pandemic levels.
- In 2023, the number of travel and tourism jobs worldwide experienced a sharp annual increase, but was still slightly below pre-pandemic levels. Meanwhile, total travel and tourism spending worldwide followed a similar trend.
- After sinking in 2020 to the lowest point recorded since 1989, the number of international tourist arrivals worldwide bounced back in 2022, then rose further in 2023. That said, it remained below the peak of nearly 1.5 billion reported in 2019. Both before and after the impact of the health crisis, Europe remained the global region with the highest number of international tourist arrivals.
- **Indian Scenario**
- Drawing upon world-class healthcare amenities and traditional healing practices, medical tourism and wellness retreats entice 21% of international travelers.
- *The travel market in India is projected to reach US$ 125 billion by FY27 from an estimated US$ 75 billion in FY20.
- *International tourist arrivals are expected to reach 30.5 million by 2028.
- *According to WTTC, over the next decade, India's Travel & Tourism's GDP is expected to grow at an average of 7.1% annually.
- In the 2024 interim Budget, Finance Minister Ms. Nirmala Sitharaman allocated Rs. 2,449.62 crore (US$ 294.8 million) to the tourism sector, a 44.7% increase from the previous fiscal year.
- *The Ministry of Tourism launched the Swadesh Darshan Scheme to develop theme-based tourist circuits, sanctioning 76 projects. Upgraded to Swadesh Darshan 2.0 (SD2.0).
- *The Prime Minister, Mr. Narendra Modi inaugurates and unveils 52 tourism sector projects valued at over Rs. 1,400 crore (US$ 168.5 million) under the Swadesh Darshan and PRASHAD Scheme.
- India is geographically diverse and offers a variety of cultures that come with its own experiences, making it one of the leading countries in terms of international tourism expenditure.
- *Airport enhancement and the spread of regional airports are opening new opportunities for business, and for drawing larger visits from tourists.
- The country's big coastline is dotted with attractive beaches.

FINANCIAL AND OPERATING PERFORMANCE

- The Company, during financial year 2023-24, has achieved various milestones and was able to establish its name in the Hospitality Sector.
- During the year the company was completed its luxurious hotel project at Jim Corbett and commenced its operations in the last week of March, 2024, thereby adding 57 rooms keys to its inventory.
- The company was managed to take on lease one more property in the state of Rajasthan in the forest area of Sawaimadhopur at Ranthmbore, adding another 20 rooms keys to its inventory.
- The company has recorded an overall growth of more than 41% in its hotel occupancy and approx. 38% in the total keys available with the company.
- The company has already signed an agreement with Espire Resorts Private Limited for taking up its resort namely “FORT BARWARA”, situated at Sawaimadhopur, Ranthambore.
- FORT BARWARA is a beautiful 14th-century fort sensitively converted to become a Six Senses sanctuary of well-being. Originally owned by a Rajasthani Royal Family, it faces the Chauth ka Barwara Mandir temple. The significant conservation effort incorporates two palaces and two temples within the walled fort. The design of Six Senses resort in Rajasthan reinterprets the gracious and regal ambiance of a bygone era dating back 700 years.

Future Prospects

The company is in advanced negotiations for 20+ hotels across 14 destinations, translating to around 1,000 additional keys. The company is exploring new properties in vibrant locations such as Jaipur, Puri, Mumbai, Ahmedabad, Vrindavan and Varanasi.

Strategically, the company is in the advanced stages of finalizing a proposal to merge an associate company with a sizeable land bank at a prominent location, subject to necessary approvals from the Board and Shareholders in next few quarters .

Threats, Risks and Concerns

Espire Hospitality 's risk management framework consists of identification of risks, assessment of their nature, severity and potential impact and measures to mitigate them. This framework is in place for adequate and timely reporting and monitoring. Risks are reviewed periodically and updated to reflect the business environment and change in the size and scope of the Company's operations. The Company has a Risk Management Committee consisting of three Independent Directors.

Segment –wise or product wise performance

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

Internal Control Systems & their adequacy

The company has placed adequate and effective system of internal controls, which are wisely commensurate with the nature of business and its scale of operations. Reviews of the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards including any changes in that is a regular course of action of the company's Audit committee.

The Statutory Auditors of the Company have also, in their report to members for the financial year ended on 31st March 2024, confirmed the adequacy of internal control system of the Company.

Discussion on financial performance with respect to operational performance

The Financial Statement for the financial year ended on 31st March, 2024 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 3636.31 Lakhs in financial year 2023-24 as compared to Rs 1883.30 Lakhs in financial year 2022-23. The Company has incurred a net profit of Rs. 256.18 Lakhs as compared to net profit of Rs 22.21 Lakhs recorded in the last financial year.

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Material Development in Human Resources

At **ESPIRE HOSPITALITY**, human resources are considered as the prime assets, they have been treated with utmost care are caution. Since hospitality sector is a purely depends on the guests experience, at most care is being provided to the staff for delivering their best.

A combination of a robust talent management strategy and a transparent performance management system, leading to an attractive long term compensation philosophy is employees to attract and retain the best talents .

Friendly working environment, attractive remunerations, moral boosting activities, accommodation, transportation etc. are some of the measures the HUMAN RESOURCE team use to apply to strengthen the Human Resources in the organization

For & Behalf of the Board of Directors

Akhil Arora

Managing Director & CEO

Place:New Delhi

Date: 02nd September,2024

Corporate Governance at EHL

Corporate Governance Report

• COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

- The corporate governance policy of **ESPIRE HOSPITALITY** encompasses the simple tenets of Integrity, transparency and fairness in whatever the company does and what it basically aims at achieving is a complete adherence to the applicable statutes while at the same time ensuring a complete commitment to values and the highest ethical standards in every facet of its operations and in each of the functional areas. This, in turn, ensures that best in the class concept of corporate governance practices become a way of life in the Company.
- In line with the nature and size of operations of the Company, the Corporate Governance framework in EHL is based on the following main principles:

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

- **BOARD OF DIRECTORS:**
- **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, 2024, 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, 2024, is depicted in the table given below:-

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

Details of Board Meetings and the last Annual General Meeting and attendance record of Directors there at

During the FY 2023-24 the Board of EHL met 08 (Eight) times. The dates of the Board meetings were held on :-

30th May,2023
14th Aug,2023
06th Sep,2023
10th Nov,2023
31st Dec,2023
13th Feb,2024
27th Feb,2024
28th Mar,2024

and one meeting of Independent directors was held on 31st March,2024.

- *Resigned w.e.f 29th December,2023
- ** Appointed w.e.f 01st January,2024

- The last Annual General Meeting (AGM) of the Company was held on 30th September,23
- A table depicting the attendance of Directors at various Board Meetings and the AGM held during financial year 2023-24

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

- **Disclosure of relationship between director's inter-se:-**
- The board consists of one director is promoter director, three Directors are Independent Directors, one Managing Director and three 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
- **Number of shares and convertible instruments held by non-executive directors: -**
- The shares held by Late Mrs. Sadhana Rai (1,00,00,000 Shares)74.07% (Promoter and Non-Executive Director till 15.10.2020) of the share capital of the company are yet to be transmitted in the name of her legal heirs. A petition in this regard has been filed by Mr. Amit Rai along with No objection certificates from the other Legal heirs, however the final order thereon is yet to be received, the next date of hearing is fixed for 04.10.2023.
- One of the legal heir is Mr. Amit Rai, Non-Executive Director, none of the other legal heirs are having any directorship in the company

- **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.
- 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.
- In the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Committee of Directors

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 2023-24 and the related attendance detail are provided hereunder.

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 2023-24, the Audit Committee met 04 (Four) times. The dates of the Committee meetings are :-
- 30th May, 2023
- 14th Aug, 2023
- 10th Nov, 2023
- 13th Feb, 2024
- The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended March 31st 2024 is detailed below:

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Pramod Bhatnagar	Member	4	4
Mr. Dileep Kumar	Chairman	4	4
Mr. Amit Kumar Jain	Member	4	4

- Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Audit Committee throughout the year.
- The terms of reference of the Audit Committee, inter-alia, include:

- 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;
- Recommendation for appointment, remuneration
- and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval with particular reference to:-
    - 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;
    - changes, if any, in accounting policies and practices and reasons for the same;
    - major accounting entries involving estimates based on the exercise of judgment by management;
    - significant adjustments made in the financial statements arising out of audit findings;
    - compliance with listing and other legal requirements relating to financial statements;
    - disclosure of any related party transactions;
    - modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties; Scrutiny of inter-corporate loans and investments;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems; Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official
- Heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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; To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO after assessing the qualifications , experience and background etc of the candidate.

- **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 04 (four) times on :-
  - ✓ 30th May,2023
  - ✓ 06th Sept,2023
  - ✓ 31st December,2023
  - ✓ 13th February,2024
- 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 2023-24 is detailed below:

Name of Member	Designation	No of Meeting held	No of Meeting Attended
Mr. Pramod Bhatnagar	Member	4	4
Mr. Dileep Kumar	Chairman	4	4
Mr. Amit Kumar Jain	Member	4	4

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

- **Terms of reference**
- The terms of reference of Nomination &Remuneration Committee, inter-alia, include:
  - 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.
  - Formulation of criteria for evaluation of Independent Directors and the Board.
  - Devising a policy on Board diversity.
  - 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.
  - 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.
- **Policy for appointment and removal of Director, KMP and Senior Management**
- **Appointment criteria and qualifications**
- The Committee shall identify and ascertain the integrity, qualification, expertise and experience ofthe person for appointment as Director, KMP or at Senior Management level and recommend to the Board for his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- **Term / Tenure**
- **Managing Director/Whole-time Director:-**
- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- **Independent Director:**
- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of five years each, but such Independent Director shall be eligible for Appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

- **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.
- **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.
- **Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management**
- **Personnel:**
- **Fixed pay:**
- The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Nomination & Remuneration Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Nomination & Remuneration Committee and approved by the shareholders and Central Government, wherever required.
- **Minimum Remuneration:**
- If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- **Provisions for excess remuneration:**
- If any Managing Director /Whole Time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he /she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.
- The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- **Remuneration to Non- Executive / Independent Director:**
- **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration byway of fees for attending meetings of Board or Committee thereof.
- **Stock Option:** Independent Director shall not be entitled to any stock option of the Company.

- **Details of Directors' Remuneration**
- **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

Name of the Director	Relationship with other directors	Salary & Allowances	Monitory Value of Perquisites	Total
Mr. Prithvi Raj Singh*	None	Nil	Nil	Nil
Mr. Akhil Arora **	None	20 lacs	Nil	20 lacs

- ***Resigned w.e.f 29th Dec,23**
- ****** **Appointed w.e.f 01st Jan,24**

Notes:

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

Remuneration of Non-Executive Independent Directors

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

- **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 5thJanuary, 2017 published by SEBI, controlled evaluations forms were finalized to evaluate the performance of the Board, Committees of the Board and individual performance of each Director including the Chairman.
- The process for performance evaluation is as under: -
  - Committee of Independent Directors evaluates the performance of Non Independent Directors and the Board as a whole and submits its report to the Nomination & Remuneration Committee.
  - The Board evaluates the performance of Independent Directors and submits its report to the Nomination & Remuneration Committee.
  - Nomination & Remuneration committee reviews the report of the Committee of Independent Directors and Board and accordingly recommends the appointment/re- appointment /continuation of Directors to the Board.
- The criteria for performance evaluation are as under: -
  - The Directors are evaluated based on various aspects which, amongst other parameters, included qualifications, experience, knowledge and competency, ability to function as a team, fulfillment of functions, the level of participation of the Directors, etc.
  - The parameters for performance evaluation of Board includes structure of the Board, competency of directors, experience of directors, mix of qualifications, diversity and the process of appointment to the Board of directors, role & responsibilities, strategy & performance evaluation, governance and compliances, evaluation of risks corporate culture ,grievances redressal for investors etc.
  - Some of the performance indicators for the Committees include regularity of meeting, logistics, agenda items, discussion & dissent, recording of minutes & dissemination of Information.
  - The Committee ensures that the Key Performance Objectives are aligned with the immediate and long term goals of the Company.
- The performance of the Independent Directors was also evaluated taking into account their independent views and judgements in addition to the points on which non-independent directors are evaluated.

- **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 2023-24 the Stakeholder Relationship Committee of Directors met four times. The dates of the meetings being:-
  - ❖ 30th May,22
  - ❖ 14th Aug,23
  - ❖ 10th Nov,23
  - ❖ 13th Feb,24
- 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 2023-24 is detailed below:

Name of Member	Designation	No of Meeting held	No of Meeting
			Attended
Mr. Pramod Bhatnagar	Member	4	4
Mr. Dileep Kumar	Chairman	4	4
Mr. Amit Kumar Jain	Member	4	4

- Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Stake Holders Relationship Committee throughout the year
- **Name and designation of Compliance Officer & Chief Financial Officer**
- Mr. Sumeer Narain Mathur, Company Secretary is the Compliance Officer pursuant to regulation 6(1) of the SEBI (LODR) Regulations,2015 .He was step down from the position of Chief Financial Officer w.e.f 14th August,2023
- Mr. Rajeev Chatterjee, was appointed as the Chief Financial Officer of the company w.e.f 15th August,2023.
- **During the year under report no shareholder complaint was received.**

• Committee of Directors

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

Name of Member	Designation	No of Meeting held	No of Meeting
			Attended
Mr. Pramod Bhatnagar	Member	4	4
Mr. Dileep Kumar	Chairman	4	4
Mr. Amit Kumar Jain	Member	4	4

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

- **Terms of Reference**
- The main term of reference is to approve the share transfers/split/renewal of old certificates, however the same has been delegated to the compliance officer of the company for effective implementation of transfer/split/demat/remat process and compliance of SEBI (Listing Obligations & Disclosure Requirements), Regulations,2015 .
- **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, there was only one meeting of the committee was held on 31st March,2024 .

Name of Member	Designation	No of Meeting held	No of Meeting
			Attended
Mr. Pramod Bhatnagar	Member	4	4
Mr. Dileep Kumar	Chairman	4	4
Mr. Amit Kumar Jain	Member	4	4

- Mr. Sumeer Narain Mathur, Company Secretary & Chief Financial Officer, acts as the Secretary to the Risk Management Committee throughout the year
- **Terms of Reference**
  - 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.
  - 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.
  - Be aware and concur with the Company's Risk Appetite including risk levels, if any, set for financial and operational risks.
  - Ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
  - Review the existing risk Management System of the Company in view of the Company's RiskAppetite.
  - 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.
  - 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.
  - Perform such other activities related to this Memorandum as requested by the Board of Directors.

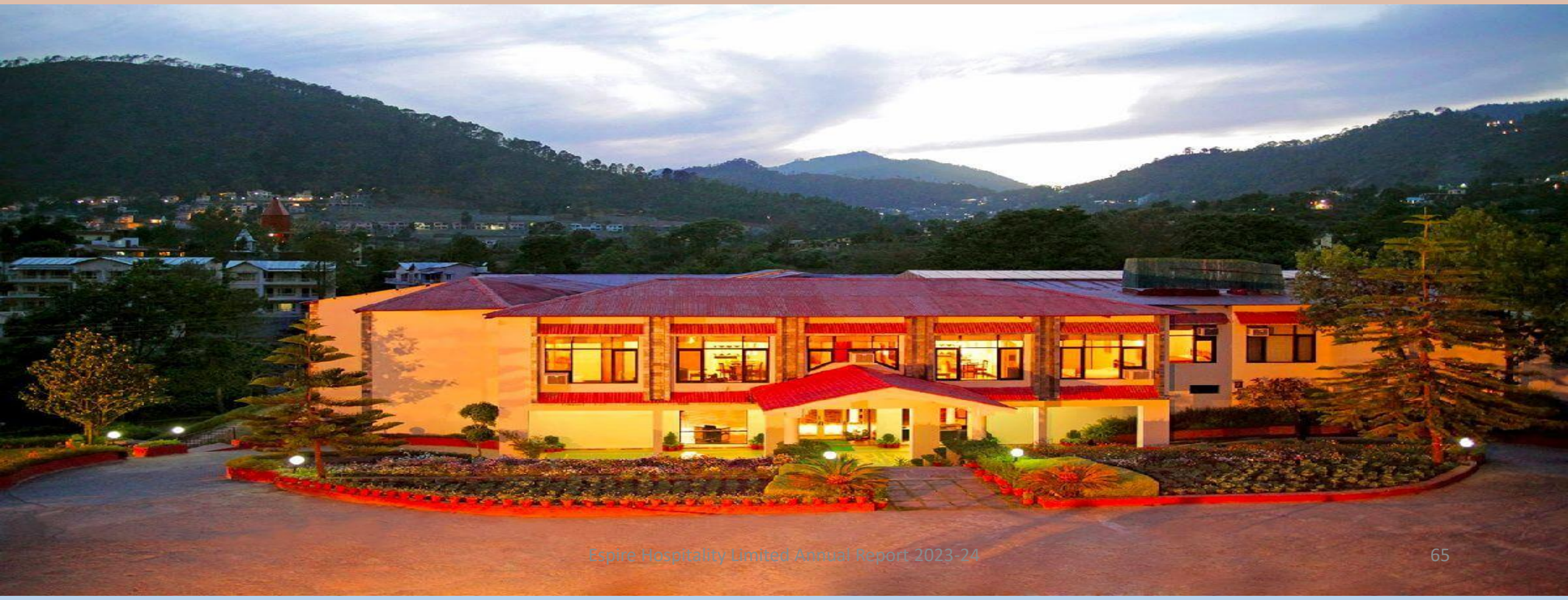
- **Independent Directors**
- During the year under report the Independent Directors met once on 31.03.20234
- Mr. Sumeer Narain Mathur, Company Secretary acts as the Secretary for the meeting of Independent Directors throughout the year .

Terms of Reference

- In compliance to regulation 25 (4) of the listing regulations the terms of reference of the Independent Directors are:-
    - Review the performance of non-independent directors and the board as a whole.
    - Review the performance of the chairperson of the company, taking into account the views of executive directors and non-executive directors.
    - 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.

- **GENERAL BODY MEETINGS**

Activity	Financial Year ended	Venue	Date	Time
AGM	March,31,2021	Country Inn Hotel & Resorts, Mehragoan Bhimtal-248179 Uttarakhand.	10.12.2021	10:00 A.M
AGM	March,31,2022	Country Inn Hotel & Resorts, Mehragoan Bhimtal-248179, Uttarakhand.	30.09.2022	10:00 A.M
AGM	March,31,2023	Country Inn Hotel & Resorts, Mehragoan Bhimtal-248179, Uttarakhand.	30.09.2023	10:00 A.M
EGM	N.A	Country Inn Hotel & Resorts, Mehragoan Bhimtal-248179, Uttarakhand.	21.03.2024	10:00 A.M



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

- **C. Postal Ballot**
- **Special resolutions passed through Postal Ballot during the F.Y 2023-24**
- During the financial year 2023-24, no resolution was passed through the mode of Postal Ballot
- **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.

- **MEANS OF COMMUNICATION**
- **Quarterly Results:**
- The quarterly/annual financial results of the Company are intimated to the Bombay Stock Exchange wherein the company is listed, within the prescribed time period my means of uploading the same onthe listing portal i.e www.listing.bseindia.com a CFDS prescribed by the Bombay Stock Exchange.
- **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.
- **Website:**
- The Company has its own website www.espirehospitality.com,and all vital information relating to the Company and its performance including financial results are regularly posted on the website.

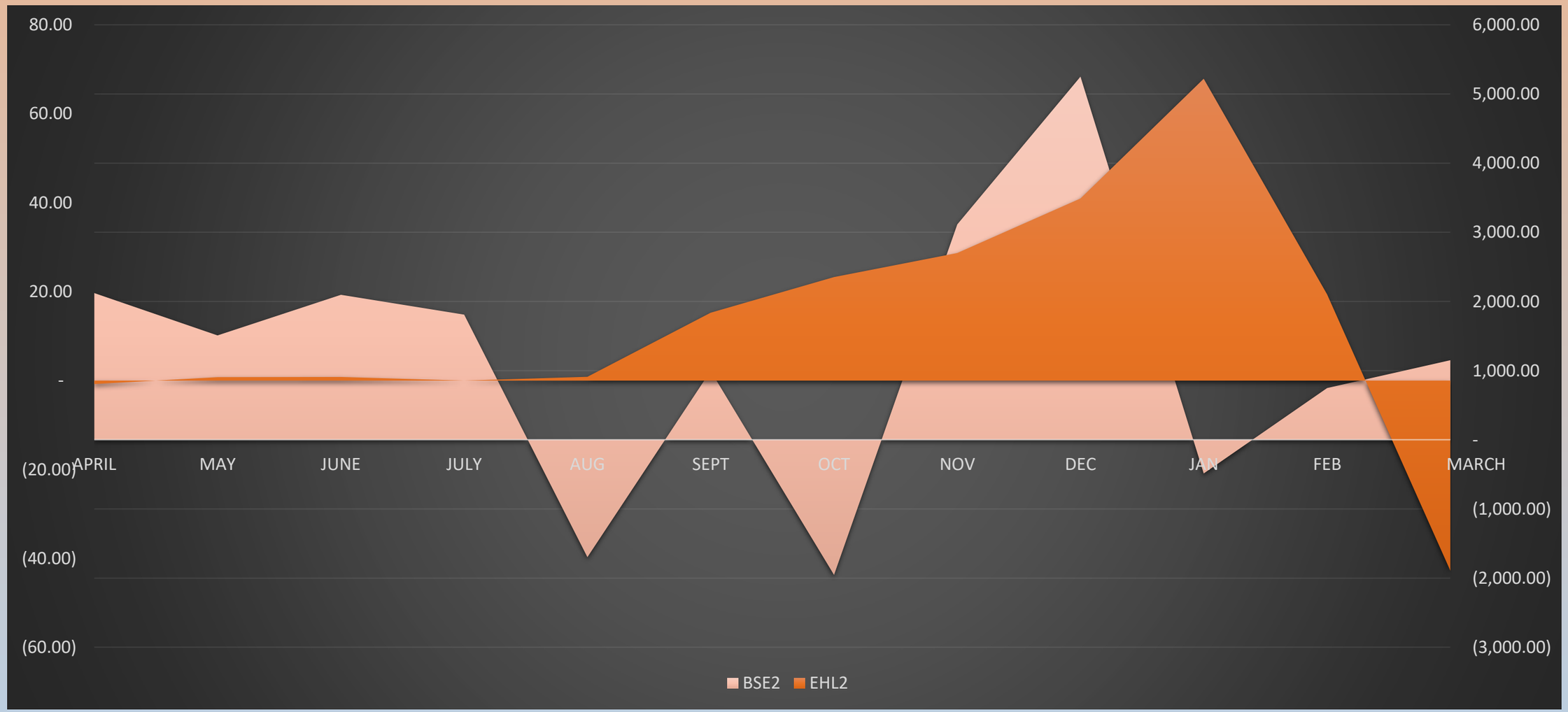
- **GENERAL SHAREHOLDER INFORMATION**

Number of AGM	**33RD**
Date	28th September, 2024
Time	10:30 AM
Place:	Country Inn Nature Resorts Bhimtal, Uttarakhand-248179
Date of Book Closure	From 24th September,2024 to 02nd Oct,2024

Dividend Payable	**No dividend is declared during the financial year**

Stock Exchange	**Stock Code**	**ISIN**
BSE(Bombay Stock Exchange) (Listing fees has been paid for the f.y 2024-25)	532016/ESPIRE	INE176O01011

Espire Hospitality's Share Performance versus BSE Sensex



BSE– Monthly High / Low and Volumes

Month	High (₹)	Low (₹)	Monthly Volume
APRIL,2023	14.99	14.99	120
MAY,2023	15.73	15.73	2
JUNE,2023	16.51	16.51	20
JULY,2023	16.51	16.51	-
AUG,2023	17.33	17.33	9,096
SEPT,2023	32.58	18.19	14,355
OCT,2023	55.85	34.20	14,518
NOV,2023	84.53	56.96	37,561
DEC,2023	125.49	86.22	2,371
JAN,2024	193.35	127.95	55,615
FEB,2024	253.95	197.20	22,820
MARCH,2024	208.45	131.80	21,577

Month	EHL Closing Price on BSE on th e last trading day of the month	BSE Sensex at the close of the the last trading day of the month
APRIL,2023	14.99	61,112.44
MAY,2023	15.73	62,622.24
JUNE,2023	16.51	64,718.56
JULY,2023	16.51	66,527.67
AUG,2023	17.33	64,831.41
SEPT,2023	32.58	65,828.41
OCT,2023	55.85	63,874.93
NOV,2023	84.53	66,988.44
DEC,2023	125.49	72,240.26
JAN,2024	193.35	71,752.11
FEB,2024	212.70	72,500.30
MARCH,2024	169.90	73,651.35

Share Transfer System

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

Registrar & Transfer Agent

M/s. Skyline Financial Services Private Limited(Unit- Espire Hospitality 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

(a) Distribution of shareholding as on March 31,2024

Share or Debenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount	% to Total Amount
₹			₹	
1	2	3	4	5
Up To 5,000	1928	91.03	2422390.00	1.79
5001 To 10,000	129	6.09	1177640.00	0.87
10001 To 20,000	18	0.85	276980.00	0.21
20001 To 30,000	9	0.42	212500.00	0.16
30001 To 40,000	7	0.33	248870.00	0.18
40001 To 50,000	0	0.00	0.00	0.00
50001 To 1,00,000	6	0.28	436170.00	0.32
1,00,000 and Above	21	0.99	130229450.00	96.46
Total	**2118**	**100.00**	**135004000.00**	**100.00**

- **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, 2024, 89.26**%** Equity shares of the Company representing **1,20,57,000** shares out of a total of **1,35,00,400** Equity shares, were held in dematerialized form and the balance **14,49,700** shares were held in physical form. Depository fees have been paid to NSDL & CDSL for the financial year 2024-25

- **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.
- **Address for Investor's correspondence:**

a.	**Mr. Sumeer Narain Mathur**	
	Company Secretary & Compliance Officer	
a.	Address	A 41, Mohan Co-Operative Industrial Estate, Mathura Road New Delhi-110044
b.	Phone No.	91-11-71546500

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, a Graduate from Wharton Business School, USA, is 43 years old and is a visionary leader. He is the key decision maker of all company policies. Besides, he also plays a key role in providing leadership to the Education business line. He became a director of the company at the AGM held on 10th 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

Ratification of Appointment as Additional Director & Managing Director

Mr. Akhil Arora was appointed as Additional Director and Managing Director of the company w.e.f 01st January,2024 and being eligible, has offered himself for re-appointment.

• Disclosures

Materially Significant Related Party Transaction

- There were following material significant related party transaction being taken place during the F.Y 2022-23 for which necessary approvals were taken in Board/ Audit Committee/AGM's :-
- Espire Resorts Private Limited– Taking the "Fort Barwara" resort on lease/revenue-share basis and on as is whereas basis along with its staff w.e.f. 01.04.2024, however the Hotel shall continue to be operated by Six Senses.
- Brentwoods International Limited – Taking on lease the " Kosi " resort on as is whereas basis along with its staff, w.e.f 01.04.2024, to operate the hotel after its renovation/re-development/re-construction.

Significant and Material Orders passed by the Regulators or Courts

- There being no material orders passed by any of the regulators or courts .
- 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. There being no such incidents.
- The Company has paid listing fees to BSE Limited for the financial year 2023-24
- The company has formulated a "EHL Whistle Blower Policy" headed by the Chairman of the Audit Committee Mr. Dileep Kumar, wherein everyone is at the liberty to raise their concern to the chairman.
- The company is following all the mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements), Regualtions,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.
- 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 31,2024

For & on Behalf of the Board of Directors
Espire Hospitality Limited

Akhil Arora
Managing Director & CEO
DIN:09436540

Date: 02nd September,2024
Place: New Delhi

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

THE MEMBERS OF ESPIRE HOSPITALITY LIMITED

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

Management's Responsibility

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

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.

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

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

Restrictions on use

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

Siddharth Bansal

Partner

M No:518004

Fr no:001113N/N500079

Date: 02/09/2024

Place: New Delhi

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

To

The Board of Directors

Espire Hospitality Limited

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

I, Akhil Arora , Managing Director & Chief Executive Officer of Espire Hospitality Limited, certify to the Board that:

I have reviewed financial statements and the cash flow statement for the year ended 31.03.2024 and that to the best of their knowledge and belief :

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;

These statements together present a true and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or volatile of the company's code of conduct.

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.

- We have indicated to the auditors and the Audit Committee that-
  - ✓ There has not been any significant changes in internal control over financial reporting during the year under reference;
  - ✓ There has not been any significant changes in accounting policies during the year under requiring disclosure in the notes to the financial statements; and
  - ✓ 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 & on Behalf of the Board of Directors

Espire Hospitality Limited

Akhil Arora

Managing Director & CEO

DIN:09436540

Date: 02nd September,2024

Place: New Delhi

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

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

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

Based on our verification of Espire Hospitality Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Espire Hospitality Limited ("The Company") for the financial year ended on 31st March, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(i) 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 extend as Applicable during the audit period***

(i) 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 extend as Applicable during the audit period***

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).***

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- 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 extend as Applicable***
- 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 extend as Applicable.***
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; ***(Not applicable to the Company during the audit period)***
- 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)***
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***(Not applicable to the Company during the audit period)***
- 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***
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***(Not applicable to the Company during the audit period)***

- The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; ***(Not applicable to the Company during the audit period)*** and

- The Company has mechanism to ensure compliance of the following Laws to the extent applicable:

1. The Payment of Wages Act, 1936
2. The Minimum Wages Act, 1948
3. Employees Provident Fund and Misc. Provisions Act, 1952
4. Employees State Insurance Act, 1948
5. The Payment of Bonus Act, 1965
6. The Environment (Protection) Act, 1986
7. Income Tax Act 1961, & rules made thereunder
8. Negotiable Instrument, 1881
9. Maternity Benefits Act, 1961
10. Payment of Gratuity Act, 1972
11. The Apprentices Act, 1961
12. The Industrial Disputes Act, 1947
13. The Child Labour (Regulation and Abolition) Act, 1970
14. Water (Prevention & Control of Pollution), 1974 and rules there under
15. Air (Prevention & Control of Pollution) Act, 1981 and rules there under
16. The Indian Stamp Act, 1889
17. Indian Contract Act, 1872
18. Transfer of Property Act, 1882
19. Indian Registration Act, 1808
20. Indian Evidence Act, 1872
21. The Consumer Protection Act, 1986
22. Building & Construction Workers Welfare Cess Act, 1996
23. Goods & Services Tax Act 2017
24. The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned herein above

We further report that:

a) Composition of Board & Various Committees

1. Composition of Board of Directors and Key Managerial Personnel

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

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

2. Composition of Audit Committee:

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

3. Composition of Nomination & Remuneration Committee:

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

4. Composition of Stakeholder Relationship Committee:

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

1. **Composition of Risk Management Committee:**

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

a) 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.

a) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

a) The company has issued Unlisted Unsecured 10% Non-Convertible Debentures (NCDs), on a private placement basis for an amount of Rs. 20.00 Crore/- to Espire Conglomerate

b) Private Limited in its Extra-Ordinary General Meeting Dated 21st March, 2024.

The Company in its 32nd Annual General Meeting held on 30th September, 2023 has increased its Authorized Share Capital from existing Rs. 15,00,00,000 (Rupees Fifteen crore) divided into 1,50,00,000 (One Crore Fifty Lacs Only) Equity Shares of Rs.10/- each to Rs. 25,00,00,000 (Rupees Twenty-Five Crore) divided into 2,50,00,000 (Two Crores Fifty Lacs Only) Equity Shares of Rs. 10/- ***however the Company has filed the intimation of the same to the Registrar of Companies along with additional fee.*** **We further report that** the Company has complied with the maintenance of the Structured Digital Database (SDD) as Required to be maintained under Regulation 3 (5) and 3(6) of The Prohibition of Insider Trading Regulations, 2015

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 Besides what is stated above, the Company has not undertaken any specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above such as:

(i) Public/Right/Preferential issue of shares /sweat Equity, etc.

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations

FOR M/s RSH & ASSOCIATES
COMPANY SECRETARIES
PEER REVIEWED CERTIFICATE NO. 5475/2024

LOVENEET HANDA)
COMPANY SECRETARY
PARTNER
DATE: 03.09.2024
PLACE: DELHI
UDIN: F009055F001115050

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

BOARD CONSTITUTION
as at end of the Financial Year 31st March, 2024

S.No	Name of Director/KMP	Designation	DIN/PAN	Category	Date of Appointment
1	Mr. Gagan Oberoi	Director	00087963	Non-Executive - Non Independent Director	22/01/2021
2	Mr. Amit Rai	Director	00088067	Non-Executive - Non Independent Director	22/01/2021
3	Mr. Amit Kumar Jain	Director	00334133	Non-Executive - Independent Director	30/07/2022
4	Mr. Pramod Bhatnagar	Director	02269852	Non-Executive - Independent Director	11/08/2021
5	*Mr. Akhil Arora	Managing Director	09312308	Executive Director	29/12/2023
6	Ms. Leela Bisht	Director	07172417	Non-Executive - Non Independent Director	22/01/2021
7	Mr. Dileep Kumar	Director	08242564	Non-Executive - Independent Director	11/08/2021
8	Mr. Sumeer Narain Mathur	Company Secretary	ALFPM7227D	-	27/09/2021
9	**Mr. Rajeev Chatterjee	Chief financial officer	AVBPR4447C	-	15/08/2023

Mr. Akhil Arora was appointed as Managing Director w.e.f. 29/12/2023. However, the Company has filed the intimation to the Registrar of Companies with additional fee.

****Mr. Rajeev Chatterjee was appointed as the Chief financial officer of the Company w.e.f 15/08/2023 as can be seen from the minutes of the meeting board/ Nomination & Remuneration Committee dated 14.08.2023.***

During the period under review Mr. Prithvi Raj Singh has resigned from the post of Managing Director w.e.f 29.12.2023 and Mr. Sumeer Narain Mathur has resigned from the post of Chief financial officer w.e.f. 14.08.2023

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. The Company in its Annual General Meeting dated 30.09.2022, ***Mr. Gagan Oberoi (DIN: 000087963) re-appointed as Director of the Company, who was liable to retire by rotation.***

ANNEXURE-2

AUDIT COMMITTEE CONSTITUTION

As at end of the Financial Year 31st March, 2024

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

ANNEXURE-3

NOMINATION & REMUNERATION COMMITTEE

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

ANNEXURE-4

STAKEHOLDER RELATIONSHIP COMMITTEE

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

ANNEXURE-5

RISK MANAGEMENT COMMITTEE
As at end of the Financial Year 31st March, 2024

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

x---------x-------x--------x

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

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

Sr No	Particulars	Remarks		
A	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	**Managing Director-24L**		
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: -100% (Appointed w.e.f 1st Jan,24, the erstwhile Managing Director was not getting any reuneration)** **Chief Financial Officer:-100% (Appointed w.e.f 15th Aug,23, the erstwhile Chief Financial Officer was also Comapny Secretary and not getting any additional Remuneration for acting as Chief Financial Officer also)** **Company Secretary:-10%**		
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 31.03.2024 ,446 employees including KMP'S were on the payrolls of the company**		
E	The explanation on the relationship between average increase in remuneration 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 lose of the current financial year and previous financial year		**31ST March,24**	**31st March,23**
		a)Market Capitalization	**229.37 Crores**	**20.23 Crores**
		b)PE ratio	**138.8**	**15.34**
		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	**Average increase in the salaries of employees (other than managerial personal) @ 15% while the Increase in Managerial Remuneration was 10%**		
I	Comparison of each remuneration of the Key Managerial Personnel against the performance of the company;	**Average Remuneration of KMP'S increased by 10% whereas revenue increased by 200%**		
J	The key parameters for variable component of remuneration availed by the directors;	**Not Applicable**		
K	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	**N.A, as only the Managing Director is the highest paid employee/director**		
L	Affirmation that the remuneration is as per the remuneration policy of the company	**It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees**		

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1) OF THE COMPANIES ACT, 2013	
Form No. AOC –2	
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)	
Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso Thereto	
Details of contracts or arrangements or transactions not at arm's length basis	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 31,2024
Details of material contracts or arrangement or transactions at arm's length basis	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 31,2024, details thereof are as under:- 1) Mr. Akhil Arora - Managing Director & Chief Executive Officer (w.e.f 01.01.24) - Remuneration 2) Mr. Rajeev Chatterjee Chief Financial Officer (w.e.f 15.08.23)- Remuneration 3) Mr. Sumeer Narain Mathur - Company Secretary & Complaince Officer- Remuneration 2) M/s Windsor Infrastructure Limited- Intercorporate Borrowings 3) M/s Brentwoods International Limited- Take on lease the Kosi Resort 4) M/s Espire Resorts Private Limited - Take on lease the Fort Barwara Resort

INDEPENDENT AUDITOR'S REPORT

To the Members of Espire Hospitality Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **Espire Hospitality Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, 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 material 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, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Opinion

The Company during the previous year had commenced operations for its leased resorts in Goa. The Company is in the process of getting the registration under Central Goods and Service Tax Act, 2017 and fulfilling the related compliances.

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

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Statements

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

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

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

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

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

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

• Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

•Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions

are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

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

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) No dividend has been declared or paid during the year by the company.

(vi) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

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

Siddharth Bansal
Partner
(Membership No. 518004)
UDIN: 24518004BKATHZ2652
Place of Signature: New Delhi
Date: May 30, 2024

Annexure ''A'' to Independent Auditors' Report of even date on Financial Statement of Espire Hospitality 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 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** ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to these Financial Statements

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

A Company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that:

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

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to these financial statements and such internal financial controls with respect to these financial statements were operating effectively as at 31 March, 2024, 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: 24518004BKATHZ2652
Place of Signature: New Delhi
Date: May 30, 2024

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 of even date)

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

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets at reasonable intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were not physically verified by the Management during the year.

(c) According to the information and explanations given to us and on the basis on our examination of the records of the Company, the company does not have immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), and accordingly, the requirement to report on clause 3(i)(a)(c) of the Order is not applicable to the Company

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

(e) According to the information and explanations given to us and on the basis on our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

ii. (a) According to the information and explanations given to us and on the basis on our examination of the records of the Company, the management has not conducted physical verification of inventory during the year.

(b) According to the information and explanations given to us and on the basis on our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. According to the information and explanations given to us and on the basis on our examination of the records, the Company, during the year has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and on the basis on our examination of the records, the Company, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

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

vii. (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, Goods and Services Tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Statement of Arrears of Statutory Dues Outstanding for More than Six Months:

Name of the Statute	Nature of the Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act	TDS other than Salary	5.24	March 2023	30th April 2023	Payment not Made

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

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

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

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

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

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

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

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

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with

respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted any Non- Banking Financial activities or Housing Financial activities. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.

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

(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

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

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in notes to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

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

For **Bansal & Co LLP**
Chartered Accountants
(Firm's Registration No. 01113N /N500079)

Siddharth Bansal
Partner
(Membership No.518004)
UDIN: 24518004BKATHZ2652
Place of Signature: Delhi
Date: May 30, 2024

ESPIRE HOSPITALITY LIMITED
CIN: L45202UR1991PLC000604
Balance Sheet as at March 31, 2024
(Rupees in lakhs, except for share data and if otherwise stated)

	Particulars	Note No	As at 31 March 2024	As at 31 March 2023
I.	**ASSETS**			
(1)	**Non-Current Assets**			
	(a) Property Plant and Equipment	**2**	5,318.96	1,280.52
	(b) Capital work in progress	**3**	52.19	552.89
	(c) Intangible assets	**4**	3.47	3.93
	(d) Deferred tax assets (Net)	**5**	27.78	15.97
	(e) Other non-current assets	**6**	145.41	189.97
	Total noncurrent assets		**5,547.81**	**2,043.28**
(2)	**Current Assets**			
	(a) Inventories	**7**	3.63	7.93
	(b) Financial Assets			
	i) Trade receivables	**8**	73.63	67.31
	ii) Cash and cash equivalents	**9**	31.08	10.25
	iii) Bank Balances other than (ii) above	**10**	68.64	2.20
	(iv) Other Financial Asset	**11**	411.09	337.18
	(c) Other current assets	**12**	842.46	175.22
	Total Current assets		**1,430.53**	**600.09**
	Total Assets		**6,978.34**	**2,643.37**
	EQUITY AND LIABILITIES			
	EQUITY			
	(a)Equity Share Capital	**13**	1,350.04	1,350.04
	(b)Other Equity	**14**	(1,018.60)	(1,274.77)
	Total Equity		**331.44**	**75.27**
	LIABILITIES			
(1)	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i)Borrowings	**15**	4,566.55	910.64
	(ii)Lease Liabilities	**16**	419.85	490.43
	(iii) Other financial liabilities	**19**	152.61	47.11
	(b) Provisions	**17**	95.74	69.32
	Total non-Current liabilities		**5,234.75**	**1,517.50**
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**15**	71.43	-
	(i) Lease liabilities	**16**	315.32	365.13
	(iii) Trade Payables	**18**		
	(A) total outstanding dues of micro enterprises and small enterprises; and		28.82	25.09
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		395.66	202.60
	(b) Other current liabilities	**20**	556.60	432.92
	(c) Provisions	**22**	4.60	4.65
	(d) Current Tax Liabilities	**21**	39.71	20.22
	Total current liabilities		**1,412.14**	**1,050.61**
	Total Equity and Liabilities		**6,978.34**	**2,643.37**

See accompanying notes to the financial statements **1**

As per our report of even date attached
For Bansal & Co LLP
CHARTERED ACCOUNTANTS
(Firm Regn No:001113N/N500079)

Siddharth Bansal
Partner
M No:518004

Place: New Delhi
Date: 30/05/2024

For and on behalf of the Board of Directors

(Gagan Oberoi)
Director
DIN: 00087963

Rajeev Chatterjee
Chief Financial Officer

Akhil Arora
Managing Director & CEO
DIN:09436540

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

ESPIRE HOSPITALITY LIMITED
CIN: L45202UR1991PLC000604
Statement of Profit and Loss for the year ended March 31, 2024
(Rupees in lakhs, except for share data and if otherwise stated)

	Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
I.	Revenue from operations	**23**	3,575.91	1,865.11
II	Other Income	**24**	60.40	18.19
III	**Total Income(I + II)**		**3,636.31**	**1,883.30**
IV	**EXPENSES**			
	Cost of Materials Purchased	**25**	383.28	214.67
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	**26**	4.31	21.63
	Employee benefits expense	**27**	734.16	588.16
	Finance Costs	**28**	130.61	65.35
	Depreciation and amortization expense	**2 & 4**	360.55	263.81
	Other expenses	**29**	1,760.28	682.05
	Total expenses (IV)		**3,373.19**	**1,835.67**
V	Profit/(loss) before Exceptional items and tax(I- IV)		263.11	47.63
VI	Exceptional Items		-	-
VII	Profit before tax (V- VI)		263.11	47.63
VIII	Tax expense:			
	(1) Current tax		19.50	36.11
	(2) Deferred tax		(11.96)	(16.71)
IX	**Profit (Loss) for the year (VII-VIII)**		**255.58**	**28.24**
X	Other Comprehensive Income			
	Items that will not be reclassified to Profit or Loss (Net)	**30**	(0.60)	6.01
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit (Loss) and other Comprehensive Income for year		256.18	22.23
XII	Earnings per equity share			
	(1) Basic		1.90	0.16
	(2) Diluted		1.90	0.16

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

Akhil Arora
Managing Director & CEO
DIN:09436540

Siddharth Bansal
Partner
M No:518004
Place: New Delhi

Rajeev Chatterjee
Chief Financial Officer

Sumeer Narain Mathur
Company Secretary & Compliance Officer
Membership No:FCS9042

Date: May 30, 2024

ESPIRE HOSPITALITY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

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

A Equity Share Capital

1) Current Year

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Balance as at March 31, 2024	Restated balance at the beginning of the current year	Changes in equity share capital during the current year	Balance at the end of the current year
1,350.04	NIL	1,350.04	NIL	NIL	NIL

2) Previous year

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

B Other Equity

Particulars	Reserve & Surplus Retained Earnings	Total
Balance as at April 1 , 2022	(1,297.00)	(1,297.00)
Total comprehensive income for the year 2022-23	22.23	22.23
Balance as at March 31, 2023	**(1,274.77)**	**(1,274.77)**
Total comprehensive income for the year 2023-24	256.18	256.18
Balance as at March 31, 2024	**(1,018.60)**	**(1,018.60)**

The accompanying notes form an integral part of financial statements

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)

Siddharth Bansal

Partner

M No:518004

Place: New Delhi

Date:30/05/2024

(Gagan Oberoi)

Director

DIN: 00087963

Rajeev Chatterjee

Chief Financial Officer

Akhil Arora

Managing Director & CEO

DIN:09436540

(Sumeer Narain Mathur)

Company Secretary & Compliance Officer

Membership No:FCS9042

ESPIRE HOSPITALITY LIMITED
CIN: L45202UR1991PLC000604
Statement of Cash Flows for the year ended March 31, 2024
(Rupees in lakhs, except for share data and if otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES BEFORE INTEREST		
Profit before taxation	**263.11**	**47.63**
Adjustment for :		
Depreciation and amortization	360.55	263.81
Interest income	(18.05)	(10.73)
Finance Cost	130.61	65.35
Operating cash flow before working Capital changes	**736.23**	**366.07**
Decrease/(Increase) in Trade Receivables	(6.32)	(42.33)
Decrease/(Increase) in Other Current assets	(667.24)	(91.84)
Decrease/(Increase) in Other financial assets	(58.00)	(96.43)
Decrease/(Increase) in Other Non Current Assets	44.56	(189.97)
Increase/(Decrease) in Provisions	46.46	60.33
Increase/(Decrease) in trade payables	196.80	(349.81)
Increase/(Decrease) in financial liabilities	(62.84)	476.93
Increase/(Decrease) in Other Liabilities	123.68	427.03
Decrease/(Increase) in Inventories	4.31	21.63
Cash generated from operation	**357.63**	**581.62**
Income taxes paid, net	(19.34)	(15.89)
NET CASH FROM OPERATING ACTIVITIES(A)	**338.29**	**565.73**
B. **CASH FROM INVESTING ACTIVITIES**		
Purchase of Property Plant & Equipment (including CWIP)	(3,569.96)	(973.96)
Purchase of Intangible assets	-	(0.46)
Interest received	2.14	10.73
Investment in bank deposit	(66.44)	(0.11)
NET CASH FROM INVESTING ACTIVITIES(B)	**(3,634.26)**	**(963.80)**
C. **CASH FLOW FROM FINANCING ACTIVITIES**		
Borrowings (Net of repayments)	3,727.34	594.82
Lease payment	(357.80)	(186.19)
Finance Cost	(52.74)	(12.04)
NET CASH USED IN FINANCING ACTIVITIES (C)	**3,316.80**	**396.59**
Net Inc/(Dec) in Cash and Cash Equivalents(A+B+C)	**20.83**	**(1.48)**
Cash & Cash Equivalents as at the beginning of the year	**10.25**	**13.67**
Cash & Cash Equivalents as at the end of the year	**31.08**	**10.25**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
Cash on hand	**11.34**	**5.67**
Balances with banks	**19.74**	**4.58**
Cash and cash equivalents	**31.08**	**10.25**
Balance as per statement of cash flows	**31.08**	**10.25**

The accompanying notes form an intergral part of financial statements

As per our report of even date attached

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

Siddharth Bansal
Partner
M No:518004
Place:New Delhi

Date:30/05/2024

For and on behalf of the Board of Directors

(Gagan Oberoi)
Director
DIN: 00087963

(Akhil Arora)
Director

Rajeev Chatterjee
Chief Financial Officer

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

ESPIRE HOSPITALITY LIMITED
Notes to the Financial Statements for the period ended 31st March,2024
(Rupees in lakhs, except for share data and if otherwise stated)

Note No. 1

(A) CORPORATE INFORMATION

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

The company is operating its hotels namely Country Inn Nature Resorts (Bhimtal), Country Inn Tarika (Jim Corbett), Country Inn Tarika Varca Beach (Goa), Country Inn Express (Sajjangarh), Zana – Luxury Escapes (Udaipur), Country Inn Hall of Heritage (Amritsar), County Inn Maple Resorts (Chail), Zana Forest Resorts (Ranthambore), Zana (Jim Corbett) (w.e.f 23.3.24).

Further, the Company is in the process of initiating operations namely Country Inn (Ayodhya).

(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,2024

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

(C) MATERIAL ACCOUNTING POLICIES

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

1. **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.

2. **OPERATING CYCLE**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization 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.

3. **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 lakhs, unless otherwise stated

Transactions and Balances

- Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the date of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.
- Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.
- Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the Statement of Profit and Loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs.

4. **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

5. 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:

I. Financial assets at amortised cost
II. Financial assets at fair value through other comprehensive income (FVTOCI)
III. 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:

I. The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
II. 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:

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

DE recognition

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.

DE recognition

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.

6. 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.

7. 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.

8. PROPERTY, PLANT AND EQUIPMENT

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

9. 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.

.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.

10. 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.

11. 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 another 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 of 3 years using the straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased/ 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.

12. 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".

13. 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).

14. 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.

15. EMPLOYEE BENEFITS

Short-term employee benefits

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

Post-employment benefit plans

Defined contribution plans

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

Defined benefit plans

Defined benefit plans of the Company comprise gratuity.

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

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

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

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

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

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

Other long-term employee benefits

i. Compensated absences

Accumulated leave which is expected to be 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 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.

16. 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 events, 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.

17. 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.

18. EXPENDITURE

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

19. 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.

20. 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 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.

21. 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.

22. 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.

23. 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.

24. RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

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

i. Ind AS 1 – Presentation of Financial Statements-

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements

ii. Ind AS 12 – Income Taxes –

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

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

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

NOTE 02 : PROPERTY, PLANT AND EQUIPMENT

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2023	Additions during the year	Deductions / Adjustments during the year	As at March 31, 2024	As at April 1, 2023	Current year	Deletions / Adjustments of Depreciation	Up to March 31, 2024	As at March 31, 2024	As at March 31, 2023
(i)Tangible Assets										
- Electric Installations	26.04	0.36	-	26.39	2.66	5.06	-	7.71	18.68	23.38
- Furniture & Fixture	13.19	340.36	1.01	352.54	1.69	6.11	-	7.80	344.74	11.50
- Kitchen Equipment's	17.71	57.80	1.06	74.45	2.20	4.80	-	7.00	67.45	15.51
- Office Equipment's	9.36	28.04	0.17	37.23	1.06	3.32	-	4.39	32.85	8.30
- Computers	32.18	10.27	-	42.44	10.30	12.26	-	22.56	19.88	21.87
-Right to use asset (Leasehold Resorts)	1,056.77	327.87	192.24	1,192.40	231.36	227.53	27.60	431.29	761.11	825.41
Leasehold Improvements	419.67	3,973.25	-	4,392.92	45.12	101.01	-	146.13	4,074.26	374.55
Total	**1,574.92**	**4,737.95**	**194.48**	**6,118.39**	**294.40**	**360.09**	**27.60**	**626.89**	**5,318.96**	**1,280.52**
Previous Year	**290.30**	**1,284.62**	**-**	**1,574.92**	**31.05**	**263.35**	**-**	**294.40**	**1,280.52**	**259.25**

There have been no revaluation of Property, plant and equipment during financial year 2023-24 or 2022-23

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)

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

Note 3 : Capital work in progress

Cost	Leasehold Improvements	Computers	Plant & Equipment's	Furniture & Fixtures	Total
Balance at March 31, 2022	73.76	-	-	-	73.76
Additions during the year	479.12				479.12
Transferred to Property, plant and equipment/Adjustment					-
Transferred to Profit and loss account					-
Balance at March 31, 2023	552.89	-	-	-	552.89
Additions during the year	28.18				28.18
Transferred to Property, plant and equipment/Adjustment	528.88	-	-	-	528.88
Transferred to Profit and loss account	-	-	-	-	-
Balance at March 31, 2023	52.19	-	-	-	52.19

3.1 (a) For the CWIP, ageing schedule shall be given as at March 31, 2024.

Capital Work in progress (CWIP)	Amount of CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project in progress	28.18	24.01	-	-	**52.19**
-Project temporarily suspended	-	-	-	-	-
Total	**28.18**	**24.01**	**-**	**-**	**52.19**

(b) For the CWIP, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024

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

(c) For the CWIP, projects whose activity has been suspended as at March 31, 2024

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

3.2 (a) For the CWIP as at March 31, 2023

Capital Work in progress (CWIP)	Amount of CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project in progress	479.12	73.76	-	-	**552.89**
-Project temporarily suspended	-	-	-	-	-
Total	**479.12**	**73.76**	**-**	**-**	**552.89**

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

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

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

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

Note 4. Intangible assets

A. Reconciliation of carrying amount

Particulars	Brands and Trademarks	Total
Gross carrying Balance as at 31 March 2023	4.61	**4.61**
Additions during the year	-	**-**
Disposals during the year	-	**-**
Balance as at 31 March 2024	**4.61**	**4.61**
Accumulated depreciation as at 31 March 2023	0.68	**0.68**
Amortisation for the year	0.46	**0.46**
Disposals during the year	-	**-**
Balance at 31 March 2024	**1.14**	**1.14**
Net carrying value as at 31 March 2024	**3.47**	**3.47**
Net carrying value as at 31 March 2023	**3.93**	**3.93**

There have been no revaluation of Intangible assets during financial year 2023-24 or 2022-23

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ESPIRE HOSPITALITY LIMITED

Notes forming part of Financial Statements for the year ended March 31,2024

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

NOTE - 5

DEFERRED TAX ASSETS (NET)

PARTICULARS	As at 31 March 2024	Deferred Tax Expense	As at 31 March 2023
Deferred Tax Asset/ (Liability) (ROU Assets / Lease liabilities & Provisions)	27.78	11.81	15.97
Net Deferred Tax Asset/(Liability)	**27.78**	**11.81**	**15.97**

5.1 For the year ended March 31, 2024

Particulars	Opening Balance	Recognised in profit and loss	Closing Balance
Deferred tax Liabilities			
Property , plant and equipment and intangibles assets	7.56	2.99	(4.57)
Leases	210.41	32.48	(177.93)
Deferred tax Assets			
Leases	(215.33)	(30.30)	185.03
Employee Benefit	(18.62)	6.63	25.25
Deferred tax assets / (liabilities), Net	**15.97**	**11.81**	**27.78**

5.2 For the year ended March 31, 2023

Particulars	Opening Balance	Recognised in profit and loss	Closing Balance
Deferred tax assets			
Property , plant and equipment and intangibles assets	(4.57)	12.13	7.56
Leases	(177.93)	388.34	210.41
Deferred tax liabilities			
Leases	185.03	(400.35)	(215.33)
Employee Benefit	25.25	(43.87)	(18.62)
Deferred tax assets / (liabilities), Net	**(27.78)**	**43.75**	**15.97**

NOTE - 6

OTHER NON CURRENT ASSETS

PARTICULARS	As at 31 March 2024	As at 31 March 2023
i) Capital advances	145.41	189.97
TOTAL	**145.41**	**189.97**

NOTE - 7

INVENTORIES

PARTICULARS	As at 31 March 2024	As at 31 March 2023
Grocery Items, Beverages and Consumables	3.63	7.93
TOTAL	**3.63**	**7.93**

NOTE-8

TRADE RECEIVABLES

PARTICULARS	As at 31 March 2024	As at 31 March 2023
Trade Receivables		
(a) Receivables considered good - Secured	-	-
(b) Receivables considered good - Unsecured	73.63	67.31
(c) Receivables which have significant increase in credit risk	-	-
(d) Receivables credit impaired	-	-
TOTAL	**73.63**	**67.31**

Financial Year 2023-24

Note :8.1 Ageing Schedule of Trade Receivables

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	54.01	-	-	-	54.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	19.62	19.62
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
Total	54.01	-	-	19.62	73.63

Financial Year 2022-23

Note :8.1 Ageing Schedule of Trade Receivables					
Particulars	**Outstanding for following periods from due date of payment**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	47.69	-	-	-	47.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	19.62	19.62
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
Total	47.69	-	-	19.62	67.31

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ESPIRE HOSPITALITY LIMITED

Notes forming part of Financial Statements for the year ended March 31,2024
(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 9

CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31 March 2024	As at 31 March 2023
a) Cash on Hand	11.34	5.67
b) Balance with Banks In Current Accounts	19.74	4.58
TOTAL	**31.08**	**10.25**

NOTE - 10

OTHER BANK BALANCES

PARTICULARS	As at 31 March 2024	As at 31 March 2023
In term deposit account (Including Accrued Interest) (Maturity more than 3 months)*	68.64	2.20
TOTAL	**68.64**	**2.20**

Note 10.1

Term deposit amounting to Rs.2.34 Lakhs (PY Rs. 2.20 Lakhs) 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.
Term Deposit amounting to Rs.66.30 Lakhs (PY NIL) pledged with Bank against borrowings facilities.

NOTE - 11

OTHER FINANCIAL ASSETS

PARTICULARS	As at 31 March 2024	As at 31 March 2023
a) Security Deposits	411.09	337.18
TOTAL	**411.09**	**337.18**

NOTE - 12

OTHER CURRENT ASSETS

PARTICULARS	As at 31 March 2024	As at 31 March 2023
Advance to staff	17.31	2.45
Prepaid Expenses	7.03	52.66
Advance to Suppliers	95.30	45.81
Other receivables	722.81	74.30
TOTAL	**842.46**	**175.22**

ESPIRE HOSPITALITY LIMITED
Notes forming part of Financial Statements for the year ended March 31,2024
(Rupees in lakhs, except for share data and if otherwise stated)

NOTE NO. 13

EQUITY SHARE CAPITAL

PARTICULARS	As at 31 March 2024	As at 31 March 2023
Authorised		
2,50,00,000 (Previous year 1,50,00,000) Equity share of Rs 10/- each *	2,500	1,500
Issued		
1,35,00,400 (Previous year 1,35,00,400) Equity shares of Rs 10/- each	1,350	1,350
Subscribed & fully paid up		
1,35,00,400 (Previous year 1,35,00,400) Equity shares of Rs 10/- each	1,350	1,350
TOTAL	**1,350**	**1,350**

***The Company during the Year Increase its authorised share capital by Rs. 1000 Lakhs (100 Lakhs shares of Rs.10 Each) through board resolution dated 30 September, 2023. In this regard the Company is in the process of completing the requisite filing with the MCA.**

13.1
Details of reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rupees	No. of shares	Rupees
Number of shares outstanding at the beginning of the year	1,35,00,400	1,350	1,35,00,400	1,350
Add: Changes during the year	-	-	-	-
Number of shares outstanding at the end of the year	1,35,00,400	1,35,004	1,35,00,400	1,35,004

13.2
The details of Shareholders holding more than 5% equity shares in the company

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

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

13.4 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) alloted any fully paid up shares by way of bonus shares nor has bought back any class of equity shares

13.5 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.

13.6

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 and order has been received on dated 8 February, 2024 however the transmission is under process.

13.7 The Company has no holding, subsidiary, associate or joint venture.

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

The Company has not declared dividend in the financial year 2023-24 and 2022-23.

ESPIRE HOSPITALITY LIMITED
Notes forming part of Financial Statements for the year ended March 31,2024
(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 14

OTHER EQUITY

Particulars	As at 31 March 2024	As at 31 March 2023
Other Reserves		
Retained Earnings	(1,018.60)	(1,274.77)
TOTAL	**(1,018.60)**	**(1,274.77)**

NOTE - 15
BORROWING

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non-current	Current	Non-current	Current
Debentures				
10% Non-Convertible Debenture	1,000.00	-	-	-
Term Loan from bank				
ICICI Bank	1,500.00	-	-	-
Dropline Facility from ICICI Bank	380.95	71.43		
From other Parties				
Loans from related parties	1,685.60	-	910.64	-
TOTAL	**4,566.55**	**71.43**	**910.64**	**-**

Note:15.1
Details of Borrowing

Particulars	As at 31 March 2024	As at 31 March 2023	Rate of Interest	Terms	Repayment Terms
Unsecured, unlisted, 10% Non-Convertible Debentures (100 debentures of Face Value 10 lakhs each) issued on March 28,2024	1,000.00	-	10%	10 years	Redeemable after 10 Years
Loan from Related Party (Unsecured)	1,685.60	910.64	8% pa	84 Months	Repayable after 84 Months from drawdown.
Term Loan from ICICI Bank	1,500.00	-	**9.85%**	84 Months	Quarterly payment of Rs. 62.50 Lakhs over the period of 7 years payment of which will start after 12 months of receipt of Loan Amount.
Dropline Facility from ICICI Bank	380.95	-	**9.85%**	84 Months	Monthly Payment of Rs. 5.95 Lakhs

NOTE - 16

LEASE LIABILITY

Particulars	As at 31 March 2024		As at 31 March 2023	
	Current	Non-current	Current	Non-current
Lease Liability	315.32	419.85	365.13	490.43
TOTAL	**315.32**	**419.85**	**365.13**	**490.43**

16.1 Leases

As a Lessee

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

Particulars	Note	As at 31 March 2024	As at 31 March 2023
Right-of-use assets, except for investment property	2	761.11	825.41
		761.11	825.41

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

Right-of-use assets

Particulars	**Leasehold Resorts**
Balance at 1 April 2022	238.59
Additions:	789.79
Depreciation charge for the year	202.97
Balance at 31st March 2023	**825.41**
Additions	327.87
Deletion	192.24
Deletion of Depreciation	27.60
Depreciation charge for the year	227.53
Balance at 31st March 2024	**761.11**

Lease liabilities

Maturity analysis - Contractual undiscounted cash flows	**As at 31 March 2024**	**As at 31 March 2023**
Less than one year	409.92	364.04
One to five years	418.48	962.03
More than five years	15.00	-
Total undiscounted lease liabilities at 31st March, 2022	843.40	1,326.07

Lease liabilities included in the statement of financial position	**As at 31 March 2024**	**As at 31 March 2023**
Current	315.32	365.13
Non-current	419.85	490.43

Amounts recognised in profit or loss	**Period ended 31 March 2024**	**Period ended 31 March 2023**
Interest on lease liabilities	77.88	53.31
Expenses relating to short-term leases / variable payments	457.04	226.06

Particulars	**Period ended 31 March 2024**	**Period ended 31 March 2023**
Total cash outflow for leases	(357.80)	(186.19)

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, 2024

ESPIRE HOSPITALITY LIMITED
Notes forming part of Financial Statements for the year ended March 31,2024
(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 17
PROVISIONS - NON CURRENT

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
- Gratuity(Unfunded)	51.13	40.70
- Leave(Unfunded)	44.61	28.62
TOTAL	**95.74**	**69.32**

17.1 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 2023-24)

PARTICULARS	Gratuity	Leave Encashment
Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations as at 01.04.2023	43.14	30.84
Service cost	12.35	21.42
Interest Cost	3.23	2.31
Benefits Paid	(5.88)	(3.56)
Transfer In/(Out)	-	-
RE-measurement Acturial(Gain)/ Loss	0.73	(4.14)
Obligations as at 31.03.2024	**53.57**	**46.87**
Reconciliation of present value of the obligation and the fair value of the plan assets :		
Fair Value of plan assets as at 31.03.2024	-	-
Present value of the defined benefit obligations as at 31.03.2024	53.57	46.87
(Asset)/Liability recognised in the balance sheet	**53.57**	**46.87**
Short Term Provision	2.44	2.16
Long Term Provision	51.13	44.61
Total	**53.57**	**46.77**
Assumptions		
Attrition rate	5%	5%
Discount factor	7.20	7.20
Estimated rate of return on plan assets	N.A	N.A
Salary Increase	5%	5%
Retirement age	60	60

17.2 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 2022-23)

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

NOTE - 18

TRADE PAYABLES

Particulars	As at 31 March 2024	As at 31 March 2023
(A) total outstanding dues of micro enterprises and small enterprises	28.82	25.09
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	395.66	202.60
TOTAL	**424.49**	**227.69**

ESPIRE HOSPITALITY LIMITED
Notes forming part of Financial Statements for the year ended March 31,2024
(Rupees in lakhs, except for share data and if otherwise stated)

Note:18.1
Trade Payables ageing for the Financial Year 2023-24

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	28.82	-	-	-	28.82
(ii) Others	341.41	54.25	-	-	395.66
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note:18.2
Trade Payables ageing for the Financial Year 2022-23

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

NOTE - 19
OTHER FINANCIAL LIABILITIES

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Other Advances		
Security Deposit	5.90	5.90
Capital Creditors	146.71	41.21
TOTAL	**152.61**	**47.11**

NOTE - 20

OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Other Advances		
Advance from Customers	30.80	101.47
Statutory Dues	221.52	100.20
Expenses Payable	165.37	150.99
Staff Payable	138.91	80.26
TOTAL	**556.60**	**432.92**

NOTE - 21

CURRENT TAX LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Income Tax	39.71	20.22
TOTAL	**39.71**	**20.22**

NOTE - 22

PROVISIONS - CURRENT

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
- Gratuity(Unfunded) Short	2.44	2.44
- Leave(Unfunded) Short	2.16	2.21
TOTAL	**4.60**	**4.65**

ESPIRE HOSPITALITY LIMITED
Notes forming part of Financial Statements for the year ended March 31,2024
(Rupees in lakhs, except for share data and if otherwise stated)

NOTE - 23

REVENUE FROM OPERATIONS

PARTICULARS	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of Services		
Room Rent & Room Package Sale	2,535.75	1,321.36
Food & Beverages	835.03	461.98
Other Operational Income	205.12	81.77
TOTAL	**3,575.91**	**1,865.11**

Revenue disaggregation by timings of satisfaction of performance obligation

PARTICULARS	For the year ended 31 March 2024	For the year ended 31 March 2023
At a point in time	3,575.91	1,865.11
Over a period of time	-	-
Total	**3,575.91**	**1,865.11**

Disaggregation revenue by geographical region

PARTICULARS	For the year ended 31 March 2024	For the year ended 31 March 2023
Within India	3,575.91	1,865.11
Outside India	-	-
Total	**3,575.91**	**1,865.11**

NOTE - 24

OTHER INCOME

PARTICULARS	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on FDR's	2.14	0.11
Misc Income	42.36	7.46
Interest Income on security deposit (Notional)	15.91	10.62
TOTAL	**60.40**	**18.19**

NOTE - 25

COST OF MATERIALS PURCHASED

PARTICULARS	For the year ended 31 March 2024	For the year ended 31 March 2023
Grocery Items, Beverages and Consumables	383.28	214.67
TOTAL	**383.28**	**214.67**

ESPIRE HOSPITALITY LIMITED

Notes forming part of Financial Statements for the financial year ended March 31,2024

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

NOTE - 26

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

PARTICULARS	For the year 2023-24	For the year 2022-23
Inventories at Close		
Grocery Items, Beverages and Consumables	3.63	7.93
	3.63	7.93
Inventories at Commencement		
Grocery Items, Beverages and Consumables	7.93	29.57
	7.93	29.57
Decrease/(Increase) In Inventory	**4.31**	**21.63**

NOTE - 27

EMPLOYEE BENEFITS EXPENSE

PARTICULARS	For the year 2023-24	For the year 2022-23
Salary & Wages	643.49	510.32
Contribution to provident & other funds	42.05	30.65
Staff welfare expenses	48.62	47.19
TOTAL	**734.16**	**588.16**

NOTE - 28

FINANCE COST

PARTICULARS	For the year 2023-24	For the year 2022-23
Interest Expenses on:		
-bank loan	24.75	-
-lease liability (Notional)	77.88	53.31
-other	7.80	0.96
Bank Charges & POS Charges	20.19	11.08
TOTAL	**130.61**	**65.35**

Note:28.1 Interest on borrowings amounting to Rs. 172.23 (PY Rs. 61.06 Lakhs) has been capitalized under CWIP .

ESPIRE HOSPITALITY LIMITED

Notes forming part of Financial Statements for the year ended March 31,2024

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

NOTE - 29

OTHER EXPENSES

PARTICULARS	For the year 2023-24	For the year 2022-23
Lease Rent Expenses	457.04	226.06
Power & Fuel	237.95	108.22
Event Expenses	90.66	33.53
Repairs & Maintenance		
- Building	40.24	4.78
- Others	33.50	4.30
Maintenance and upkeep	101.16	24.89
Rates & Taxes	30.85	4.33
Listing & Filing Fees	6.13	5.40
Fines & Penalties	1.46	0.15
Insurance	2.58	2.36
Communication Expenses	24.04	7.29
Printing & Stationary	8.98	5.49
Travel & Conveyance	91.31	43.41
Advertisement and business promotion	63.76	33.89
Commissions	258.21	115.50
Audit Fees (Refer Note Below)*	16.50	9.45
Legal & Professional Expenses	26.58	6.25
Housekeeping Expenses	58.54	9.83
Donation & Charity	2.50	0.54
Royalty Expenses	11.09	6.61
IT Related Expenses	8.54	-
Misc. Expenses	188.66	29.74
TOTAL	**1,760.28**	**682.02**

***Includes payments to auditors as follows:**

	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Payments to auditors		
As auditor:		
Statutory audit fee	11.00	6.00
Tax audit fee	2.50	2.25
Limited reviews fee	3.00	1.20
Total	**16.50**	**9.45**

NOTE - 30

OTHER COMPREHENSIVE INCOME

PARTICULRS	For the year 2023-24	For the year 2022-23
A) Items that will not be reclassified to profit or loss re-measurement of the defined benefit plans	0.60	6.01
TOTAL	**0.60**	**6.01**

31A Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

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

As on 31 March 2024

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets								
Current								
Trade receivables	8	-	-	73.63	73.63	-	-	73.63
Cash and cash equivalents	9	-	-	31.08	31.08	-	-	31.08
Other bank balances	10	-	-	68.64	68.64	-	-	68.64
Other Financial Asset	11			411.09	411.09			411.09
TOTAL		**-**	**-**	**584.44**	**584.44**	**-**	**-**	**584.44**
Financial liabilities								
Non-current								
Borrowings	15	-	-	4,566.55	4,566.55	-	-	4,566.55
Lease liabilities	16			419.85	419.85			419.85
Other financial liabilities	19	-	-	152.61	152.61	-	-	152.61
Current					-			-
Borrowings	15	-	-	71.43	71.43	-	-	71.43
Trade payables	18	-	-	424.49	424.49	-	-	424.49
Lease liabilities	19	-	-	315.32	315.32	-	-	315.32
TOTAL		**-**	**-**	**5,950.24**	**5,950.24**	**-**	**-**	**5,950.24**

As on 31 March 2023								
Particulars	**Note**	**Carrying value**				**Fair value measurement using**		
		FVTPL	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets								
Current								
Trade receivables	8	-	-	67.31	67.31	-	-	67.31
Cash and cash equivalents	9	-	-	10.25	10.25	-	-	10.25
Other bank balances	10	-	-	2.20	2.20	-	-	2.20
Other current assets	11	-	-	337.18	337.18	-	-	337.18
TOTAL		**-**	**-**	**416.94**	**416.94**	-	-	**416.94**
Financial liabilities								
Non-current								
Borrowings	15	-	-	910.64	910.64	-	-	910.64
Lease Liabilities	16	-	-	490.43	490.43	-	-	490.43
Other financial liabilities	19	-	-	47.11	47.11	-	-	47.11
Current					-			-
Borrowings	15	-	-	-	-	-	-	-
Trade payables	18	-	-	227.69	227.69	-	-	227.69
Lease Liabilities	16	-	-	365.13	365.13	-	-	365.13
TOTAL		**-**	**-**	**2,041.00**	**2,041.00**			**2,041.00**
There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2024 and 31 March 2023.								

Valuation processes

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

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.

31A Financial risk management (continued)
b.

(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 2024	As at 31 March 2023
Trade receivables	73.63	67.31
Cash and cash equivalents	31.08	10.25
Other bank balances other than cash and cash equivalents	68.64	2.20

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.
Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.
As per Ind AS 109, the Company makes allowance for doubtful trade receivable using simplified approach, significant judgement is used to estimate doubtful accounts as prescribed in IND AS 109 . In estimating doubtful accounts historical and anticipated customer performance are considered. Changes in the economy, industry, or specific customer conditions may require adjustments to the allowance for doubtful accounts recorded in financial statements. This is done on the basis of company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Based on the business environment in which the Company operates, management considers that the trade receivables (other than receivables from government departments) are in default (credit impaired) if the payments are more than 365 days past due however the Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 365 days past due and the probability of recovery determined by the competent management.

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

	Gross carrying amount	
Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Less than 6 months	54.01	47.69
6 months -1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	19.62	19.62
	73.63	**67.31**

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.

Movement in the allowance for impairment in respect of trade receivables

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
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 it's liabilties 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 settle-ment of financial debt and paying suppliers. The Company’s liquidity is managed by Company Treasury. The aim is to ensure effective liquidity management, which primarily involves obtaining sufficient committed credit facilities to ensure adequate financial resources and, to some extent, tapping a range of funding sources.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at 31 March 2024	Carrying amount	Contractual cash flows				
		Less than six months	Between six months and one year	Between one and five years	More than 5 years	Total
Borrowings - Term loan	4,637.98	35.71	35.71	1,630.95	2,935.60	4,637.98
Lease Laibilities	735.17	157.66	157.66	419.85	-	735.17
Trade Payable	424.49	424.49	-	-	-	424.49
Other Financial Liabilities	152.61	146.71	-	-	5.90	152.61
	5,950.24	**764.57**	**193.37**	**2,050.80**	**2,941.50**	**5,950.24**
As at 31 March 2023	**Carrying amount**	**Contractual cash flows**				
		Less than six months	**Between six months and one year**	**Between one and five years**	**More than 5 years**	**Total**
Borrowings - term loan	910.64	-	-	-	910.64	910.64
Lease Laibilities	855.56	182.57	182.57	490.43	-	855.56
Trade Payable	227.69	227.69	-	-	-	227.69
Other Financial Liabilities	47.11	41.21	-	-	5.90	47.11
	2,041.00	**451.47**	**182.57**	**490.43**	**916.54**	**2,041.00**

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.
The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

(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 expose 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 2024	As at 31 March 2023
Fixed rate liabilities		
Borrowings	**4,637.98**	**910.64**
	4,637.98	**910.64**
Variable rate liabilities		
Borrowings	-	-
	-	**-**
Total	**4,637.98**	**910.64**

Cash flow sensitivity analysis for variable-rate instruments

The Company does not hold any variable rate instruments.

Fair value sensitivity analysis for fixed-rate instruments

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

31. c Fair value measurement and financial instruments

Capital Management

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

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

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

During the financial year ended 31 March 2024, 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 2024**	**As at 31 March 2023**
Long-term borrowings	4,566.55	910.64
Short-term borrowings	71.43	-
Adjusted net debt (A)	**4,637.98**	**910.64**
Equity share capital	1,350.04	1,350.04
Other equity	(1,018.60)	(1,274.77)
Total Equity (B)	**331.44**	**75.27**
Capital and total debt (C)	**4,969.42**	**985.91**
Debt equity ratio (C = A/B)	**13.99**	**12.10**

Return on equity:

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**
Profit after tax	**255.58**	**28.24**
Average Equity share capital	1,350.04	1,350.04
Average Other equity	(1,018.60)	(1,274.77)
Total equity	**331.44**	**75.27**
Average Total equity	**203.36**	**68.05**
Return on equity Ratio	**126%**	**41%**

32. 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 ₹ 465.02 lakhs 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 87.19 lakhs received by the Company to the said Trust. However, Hon'ble High Court of Delhi has passed a part joint decree of 231.26 lakhs in favour of LG and the LG filed an execution petition and subsequently the Court directed the Company to transfer a sum of 4.50 lakhs 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 ₹ 4.50 lakhs shall be recovered by the company from LG Electronics India Pvt. Ltd (LG).Presently ₹ 4.50 lakhs 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)

33. Disclosure of Related Parties/Related Party Transactions:

A) Name and Transactions with related parties: -

i. KEY MANAGEMENT PERSONNEL

1. Mr. Prithvi Raj Singh - Managing Director till 29 December, 2023
2. Mr. Akhil Arora- Managing Director & Chief Executive Officer w.e.f 1 January, 2024
3. Mr. Rajeev Chatterjee- Chief Financial Officer w.e.f 15 August, 2023
4. Mr. Sumeer Narain Mathur - Company Secretary & Chief Financial Officer till 14 August, 2023)
5. Late Mrs. Sadhana Rai (Legal Heirs of Mrs. Rai) – Promoter

ii. ENTERPRISES HAVING SIGNIFICANT INFLUENCE OF KMP'S

1. Espire Reality Limited (Formerly Windsor Infrastructure Limited)
2. Forest Fern Hospitality Private Limited
3. Forest Fern Resorts Private Limited
4. Brentwoods International Limited
5. Sarp Hotels Private Limited
6. Espire resorts Private Limited
7. Espire Conglomerate Private Limited

B) Name and Transactions with related parties:

S. No.	Name	Relation	Nature of Transaction	Transaction for the year ended 31st March,2024	Transaction for the year ended 31st March,2023
1.	Mr. Akhil Arora	Managing Director & Chief Executive Officer	Director Remuneration	24	NIL
2.	Mr. Rajeev Chatterjee	Chief Financial Officer	Director Remuneration	40.98	NIL
3.	Mr. Sumeer Narain Mathur	Company Secretary & Chief Financial Officer	Remuneration	13.33	11.49
4.	Espire Reality Limited	Enterprises having Significant influence of KMP's	Loan taken	4136.51	594.83
			Consultancy Provided	Nil	NIL
			Expenses Incurred on their behalf	0.09	0.07
			Loan Repaid	3861.16	NIL
5.	Forest Fern Hospitality Private Limited	Enterprises having Significant influence of KMP's	Payments received on our behalf from guest	NIL	227.26
			Expenses /payments made on our behalf	NIL	93.28
			Loan Taken	587.11	NIL
			Loan Repaid	139.21	NIL
			Expenses incurred on their Behalf	15.21	NIL
			Security Deposit Given	NIL	20.00
			Services Received	342.56	32.33
6.	Forest Fern Resorts Private Limited	Enterprises having Significant influence of KMP's	Payments received on our behalf from guests	NIL	20.23
			Expenses /payments made on our behalf	NIL	4.15
			Expenses incurred on their Behalf	629.7	NIL
			Security Deposit Given	NIL	20.00
7.	Espire Resorts Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	9.19	NIL
			Rendering of Service	183.63	NIL

8.	Espire Conglomerate Private Limited	Enterprises having Significant influence of KMP's	Issue of Debentures	1000	NIL
9.	Brentwoods International Limited	Enterprises having Significant influence of KMP's	Expenses incurred on our behalf	NIL	NIL
			Expenses Incurred on their behalf	0.3	0.38
10.	Farrini Trade-Link Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	NIL	0.01
11.	Seaweed Marbles Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	NIL	0.02
12.	Sarp Hotels Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	0.01	0.19
13.	Kjr Developers Private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	NIL	0.02
14.	Shree Govind Hotel And Health Resorts private Limited	Enterprises having Significant influence of KMP's	Expenses Incurred on their behalf	NIL	0.01

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

	Nature of Balance	As on 31.03.2024	As on 31.03.2023
Espire Reality Limited	Borrowings	(1186)	(910.64)
Espire Reality Limited	Expenses Incurred on their behalf	0.11	NIL
Forest Fern Hospitality Private Limited	Payments received on our behalf from guests & Expenses incurred	NIL	31.51
Forest Fern Resorts Private Limited	Payments received on our behalf from guests	NIL	80.07
Forest Fern Hospitality Private Limited	Services Received	(9.36)	NIL
Forest Fern Hospitality Private Limited	Expenses Incurred on their behalf	11.45	NIL
Forest Fern Hospitality Private Limited	Loan Taken	(499.60)	NIL
Forest Fern Resorts Private Limited	Expenses Incurred on their behalf	709.77	NIL
Forest Fern Resorts Private Limited	Security Deposit	20	20
Espire Resorts Private Limited	Expenses Incurred on their behalf	4.70	NIL
Espire Conglomerate Private Limited	Issue of Debentures	(1000)	NIL
Sarp Hotels Private Limited	Expenses Incurred on their behalf	0.28	0.8
Brentwoods International Limited	Expenses Incurred on their behalf	1.16	0.87

Negative figures represent payable and positive figure represent recoverable

34. Segment Reporting

Basis for Segment reporting

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

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

Geographical Segments

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

34. Impairment of Non-Financial Assets

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

35. Earnings per share (Amount in ₹ Lakhs)

		As on 31.03.2024	As on 31.03.2023
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	256.17	22.23
C)	Basic & Diluted Earnings per share (Annualized)	1.90	0.16

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

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

Raw Materials: NIL (Previous. Year Nil)
Stores & spares: NIL (Previous Year Nil)

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

39. Exceptional items NIL (Previous Year Nil)

40. The Micro and Small Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the information as required to be reported as per Micro, Small and Medium Enterprise Development Act, 2006 as at March 31, 2024 are as under: -

Rs Lac

	As on 31.03.2024	As on 31.03.2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier	28.82	25.09
(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

41. The company neither holds any benami property nor any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

42. Gross amount required to be spent on CSR activities during the year is Nil (Previous year Nil).

43. The Company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

44. There is no charge or satisfaction pending for registration with Registrar of Companies beyond the statutory period

45. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2024 and March 31, 2023.

46. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

47. The Company does not have any working capital limits through any bank or financial institution.

48. The Company has established a comprehensive system of maintenance of information and documents that are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961.

49. There are no undisclosed incomes that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

50. Previous year's figures have been regrouped / rearranged wherever necessary.

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

Siddharth Bansal
Partner
Membership No:518004

Place: New Delhi
Date: 30th May 2024

For Espire Hospitality Limited

Gagan Oberoi
Director
DIN:00087963

Akhil Arora
Managing Director & CEO
DIN: 09436540

Sumeer Narain Mathur
Company Secretary
& Compliance Officer
M.No.: FCS9042

Rajeev Chatterjee
Chief Financial Officer