Satchmo
Holdings Limited

June 04, 2025

Ref.: SATCHMO/08/2025-26

To
BSE Limited
(Stock Code: 533202)
Floor 25, P J Towers
Dalal Street
Mumbai-400 001

Dear Sir / Madam,

Sub: Annual Report 2024-25

In terms of Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report for the financial year 2024-25 along with the Notice of the Annual General Meeting being dispatched to all the shareholders of the Company through electronic mode, whose e-mail addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The said Annual Report is uploaded on the website of the company www.satchmoholdings.in

Request you to take the same on record.

Thanking you,

For Satchmo Holdings Limited

SATCHMO HOLDINGS LIMITED * BANGALORE *

Prasant Kumar
Company Secretary & Chief Compliance Officer

Encl.: As above

Satchmo

Holdings Limited

21st annual report 2024-25

Images generated through AI

Satchmo Holdings Limited is an Investment and Holding company in the sectors of Facilities Management, Catering, Restaurants, Food, and Equity Trading whose business is built on excellence, integrity and partnership. The company is headquartered in Bangalore, Karnataka, India.

We are a cluster of businesses with one purpose to grow. Inspired by this spirit to grow and our values, our goal is always to positively impact our partners, stakeholders, communities and world at large remain strong.

We are a company of people engaged in various business, seeking to pursue truth and integrity and committed to create value for our shareholders, our customers, our team members and our communities.

We have been engaged in social responsibility and sustainability initiatives since our establishment. Our business values are built on the principles of environmental stewardship, social inclusion, and good governance. As our businesses grow over time, we have continued to refine our strategic approach to environmental, social, and governance issues by driving positive change. We are committed to caring for people, upholding responsible sourcing practices and preserving the planet for future generations.

Our Vision

At Satchmo Holdings Limited, our vision is to achieve absolute perfection in all our endeavours with our unwavering adherence to excellence, commitment and integrity. This is by ensuring that we maintain high quality products and world class services. Our aim is to know about our customers and cater their needs with the best possible solution. Our vision is to be one of Indian's largest services companies.

Our Purpose

Our purpose is to create and provide outstanding services, which deliver positive outcomes for all our stakeholders on a long-term, sustainable basis. We aim to inspire the dream of a better life through authenticity.

Critically, our teams are the foundations of our strategy. It is our passion, commitment and excellent execution that bring our strategies to life everyday.

Satchmo Holdings is a Holding company in the sectors of Facilities Management, Catering, Restaurants, Food, and Equity Trading whose business is built on excellence, integrity and partnership. The company is focused on Investing in new age Business. The company is headquartered in Bangalore, Karnataka, India.

The Company has recently shifted its strategic focus and planned operations within the B2B segment. This initiative involves the production and supply of certain food products, such as Idly dosa batter, Chapatti, and other related items. These products will be offered under the brand name "SATCHMO FOODS" through a newly established, wholly-owned subsidiary.

Satchmo
Foods

The Company has successfully secured a long-term lease for a production facility intended to house its food factory operations. All essential civil works have been completed in accordance with operational requirements. Following these foundational upgrades, the facility has now been officially handed over, and the Company is planning to procure the necessary plant and machinery.

The Company is committed to providing delicious, nutritious food to its customers. This commitment reflects our core values and areas of expertise. We will deliver food of the highest quality, accompanied by warm hospitality and excellent service across all types and sizes of locations. Every menu item will be carefully considered for its nutritional value and its contribution to a healthy, balanced diet.

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At the heart of its food and services philosophy, the Company firmly believes in the power of fresh ingredients and innovative concepts. Through the development of science-based solutions, the Company strives to significantly boost agricultural yield potential, improve turf strength, and minimize environmental footprint. This strategic approach enables the Company to effectively deliver vital agricultural and food products to a wider population.

Our Commitment

People

We believe diversity makes us more competitive and creates value for our customers, shareholders, and employees. We are committed to caring for people in our communities by making a positive impact on their lives through giving back, doing good and changing their lives. We seek to empower our stakeholders in making healthy choices about lifestyles and diet.

Products

We uphold responsible sourcing practices for the products we supply and strive to do so in an ethical and sustainable manner. We also understand our responsibility to manage our environmental impact and are always striving to find more efficient ways of working. Our goal is to minimize our environmental footprint and promote sustainability in all aspects of our operations.

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Images generated through AI

Planet

Preserving the planet for future generations is crucial to Satchmo's purpose, and we believe that environmental stewardship is essential for our long-term success. We are conscious of the resources we use while running our business and look into their environmental impact. Thus, we always seek innovative ideas to reduce our carbon footprint.

Sl.No.	Contents:	Page No.

CORPORATE INFORMATION

BOARD OF DIRECTORS/KMP

MR. NITESH SHETTY
Chairman & Managing Director

MR. L. S. VAIDYANATHAN
Executive Director

MR. RAMESH KARUR RAGHAVENDRAN
Executive Director & Chief Financial Officer

MR. S ANANTHANARAYANAN
Independent Director

MR. KUMAR NELLORE GOPALAKRISHNA
Independent Director

MS. GAYATHRI MN
Independent Director

MR. PRASANT KUMAR
Company Secretary & Chief Compliance Officer

COMMITTEES OF THE BOARD

Audit Committee
Mr. S. Ananthanarayanan - Chairperson
Mr. Kumar Nellore Gopalakrishna - Member
Mr. L. S. Vaidyanathan - Member

Nomination & Remuneration Committee
Mr. S. Ananthanarayanan - Chairperson
Mr. Krishna Kumar N G - Member
Ms. Gayathri MN - Member

Stakeholders Relationship Committee
Mr. S. Ananthanarayanan – Chairperson
Mr. Kumar Nellore Gopalakrishna – Member
Mr. Nitesh Shetty - Member
Mr. L. S. Vaidyanathan - Member

AUDITORS

STATUTORY AUDITORS

M/s KAMG & Associates
Chartered Accountants
AE-350, Salt Lake, Sector-1
Kolkata – 700 064

SECRETARIAL AUDITORS INCLUDING SUBSIDIARIES

Kedarnath & Karthik *(Firm of Company Secretaries)*
Corporate Law Advisors & Company Secretaries
No. 3, 3rd Floor, Sri Sai Square, Nagarbhavi 2nd Stage,
8th Block, Bengaluru – 560072

REGISTRARS

REGISTRAR & SHARE TRANSFER AGENT

KFIN Technologies Limited
Selenium Building, Tower-B,
Plot No 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana, India – 500 032
Toll Free No: 1800 309 4001
WhatsApp Number: (91) 91 0009 4099
KPRISM (Mobile Application): https://kprism.kfintech.com/
Email: einward.ris@kfintech.com
Corporate Website: www.kfintech.com
RTA Website: https://ris.kfintech.com
Investor Support Centre (DIY Link): https://ris.kfintech.com/clientservices/isc

EQUITY SHARES LISTED AT

BSE Limited (BSE)

PRINCIPAL BANKERS

HDFC Limited

SOLICITORS

Holla & Holla
J. Sagar Associates
C V Nagesh
KMP Law
JustLaw
Amarchand Mangaldas
Finsec Law

REGISTERED OFFICE

110, A Wing, Andrews Building, Level 1,
M.G.Road, Bengaluru - 560001
Tel: +91 80 2227 2220;
email ID: investor@satchmoholdings.in Website: www.satchmoholdings.in

SUBSIDIARY COMPANIES

1. NORTHROOF VENTURES PRIVATE LIMITED

Registered Office: Office No. 1/B, First Floor, #41 Castle Street, Opp. Sacred Heart Church, Richmond Road, Ashok Nagar, Richmond Town Bangalore North, Karnataka, India, 560025

Board of Directors

MR. L. S. VAIDYANATHAN	Director
MR. RAMESH KARUR RAGHAVENDRAN	Director
MR. S. ANANTHANARAYANAN	Independent Director
MR. KRISHNA KUMAR N G	Independent Director

2. MARATHALLI VENTURES PRIVATE LIMITED

Registered Office: No. 15/45, Level 1A, 4th Cross, Halasuru, Cambridge Road, Hulsur Bazaar, Bangalore North, Karnataka, India, 560008

Board of Directors

MR. L. S. VAIDYANATHAN	Director
MR. PRADEEP NARAYAN	Director
MR. S. ANANTHANARAYANAN	Independent Director
MR. KRISHNA KUMAR N G	Independent Director

3. SATCHMO FOODS PRIVATE LIMITED

Registered Office: 110, B Wing, Andrews Building, Level 1,
M.G.Road, Bengaluru - 560001

Board of Directors

MR. RAMESH KARUR RAGHAVENDRAN	Director
MR. PRADEEP NARAYAN	Director
MS. GAYATHRI MN	Independent Director

SATCHMO HOLDINGS LIMITED
CIN: L93000KA2004PLC033412
Regd. Office : 110, A Wing, Andrews Building, Level 1, M. G. Road, Bengaluru-560 001
Ph. +91-80-2227 2220 Website: www.satchmoholdings.in ; email: investor@satchmoholdings.in , cs@satchmoholdings.in

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Notice

NOTICE is hereby given that the Twenty-first Annual General Meeting ("AGM") of the Members of SATCHMO HOLDINGS LIMITED ("the Company") will be held on **Friday, 27th June 2025 at 9:00 a.m.** through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") facility to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2025, together with the Reports of the Board of Directors and Auditor's thereon

*To consider and if thought fit, to adopt the following resolution as an **Ordinary Resolution**:*

*"**RESOLVED THAT** the Audited Annual Financial Statements (including the balance sheet of the Company as at March 31, 2025 and the statement of profit and loss together with the notes on accounts, schedules, statement of cash flow, etc.), in the prescribed format, annexed to and forming part of the accounts for the year ended March 31, 2025, including the consolidated financial statements for the year ended as on that date, together with the report of the Director' and Auditors' thereon as presented to the meeting, be and are hereby approved and adopted."*

2. To Re-appoint Mr. Ramesh Karur Raghavendran, (DIN: 03572425) Whole-time Executive Director Finance and Chief Financial Officer of the Company who retires by rotation and is eligible for re-appointment subject

*To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:***

*"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company, **Mr. Ramesh Karur Raghavendran (DIN: 03572425)**, Whole-time Executive Director – Finance and Chief Financial Officer, who retires by rotation and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director liable to retire by rotation.*

SPECIAL BUSINESS:

3. To re-appoint and approve the remuneration payable to Mr. L. S. Vaidyanathan (DIN: 00304652), as Whole-time Director designated as Executive Director – Business Development of the Company

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

*"**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), and upon receipt of NOC from the financial institutions including banks where loans have been defaulted in compliance of Section B of Schedule V of the Companies Act, approval of the shareholders be and is hereby accorded for the reappointment of and terms of remuneration payable to, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of appointment of **Mr. L S Vaidyanathan (DIN: 00304652)**, as a Whole time Director of the Company, designated as Executive Director for a period of Twelve months from 1st June 2025 to 31st May 2026 (both days inclusive) on the terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Directors / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Company and Mr. L S Vaidyanathan.*

***RESOLVED FURTHER THAT** subject to the provisions of Sections 196, 197 read with Schedule V of the Act, Mr. L S Vaidyanathan as a Whole-time Director of the Company, be paid such remuneration (including perquisites) and upon such terms and conditions as set out in the draft Agreement entered into between the Company and Mr. L S Vaidyanathan with the authority to the Board of Directors ("the Board" which shall be deemed to include any Committee of the Board) to alter or vary the terms and conditions of his re-appointment as may be agreed between the Board and Mr. L S Vaidyanathan subject to the limits specified in Schedule V to the Act and subject to the NOC received from the Banks and Financial Institutions.*

***RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits during the tenure of Mr. L S Vaidyanathan as Whole-time Director, the remuneration (including perquisites) as set out in the aforesaid draft Agreement be paid to him as minimum remuneration subject to the limits specified in Schedule V to the Act and on receipt of the NOC from the Banks and Financial Institutions.*

***RESOLVED FURTHER THAT** the Board of Directors or the Company Secretary of the Company be and are hereby severally/jointly authorized to do all such acts, deeds, matters and things as may be considered necessary, expedient, usual or proper to give full effect to this resolution."*

4. To appoint M/s Kedarnath & Karthik, a Firm of Practicing Company Secretaries as Secretarial Auditors of the Company for the period of 5 Years.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*"**RESOLVETD THAT** pursuant to the provisions of Section 204(1) of the Companies Act, 2013 Rule 9 of the Companies (Appointment and Remuneration personnel) Rules 2014 and other applicable provisions of the Companies Act, 2013, M/s Kedarnath & Karthik, a Firm of Practicing Company Secretaries (ICSI FRN P2023KR098600) be and is hereby appointed as Secretarial Auditors of the Company for the period of 5 (five) consecutive years commencing from financial year 2025-26.*

***RESOLVED FURTHER THAT** any one Director or the Company Secretary of the Company be and is hereby authorized to file necessary forms with Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to the above said resolution."*

5. To approve existing as well as new Material Related Party Transaction(s) in terms of Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013:

*To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:*

*"**RESOLVED** that pursuant to the provisions of Section 188 of the Companies Act, 2013 ('the Act') and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and regulations 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or carry out new contract(s) arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with any related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, during the financial year 2025-2026 and upto the date of next Annual General Meeting to be held in the year 2026, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), not exceeding the limits prescribed, provided however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company."*

*"**RESOLVED FURTHER THAT** the Board of Directors which term shall be deemed to include any Committee constituted / empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may*

arise in this regard, as they may in their sole and absolute discretion deem fit, file requisite forms with the regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any authorized person(s) to give effect to this resolution."

6. To approve making Investments, giving Loans, giving guarantees and providing Securities under Section 185 and 186 of the Companies Act, 2013 and rules made thereunder in Satchmo Foods Private Limited (Wholly Owned Subsidiary) or any other Persons/bodies Corporate in India (existing or which may be promoted/ incorporated):

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

***"RESOLVED THAT** pursuant to the provisions of Section 185 and 186 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014, (including any Statutory modification or re-enactment thereof, for the time being in force), consent of members of the company be and is hereby accorded to the Board of Directors of the Company to make any loans or investments, in one or more trenches by subscription, purchase or otherwise in Satchmo Foods Private Limited (Wholly Owned Subsidiary) or any other Persons/bodies Corporate in India (existing or which may be promoted/ incorporated), in any kind of securities, or by providing of guarantee or security in connection with a loan made by any other person to any associate or group companies, Body corporates in India or abroad (existing or which may be promoted or incorporated) notwithstanding that the aggregate of the loans provided, guarantee or securities so far given or to be given to and/or securities so far acquired or to be acquired in excess of the limits prescribed under this section.*

***RESOLVED FURTHER THAT** Mr. Nitesh Shetty, Chairman and Managing Director or any of the Executive Directors of the Company be and are hereby authorised to take all such steps and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient to give effect to this resolution."*

Registered Office:	**BY ORDER OF THE BOARD**
110, A Wing, Andrews Building, Level 1,	**For Satchmo Holdings Limited**
M.G.Road, Bengaluru - 560001	
	Prasant Kumar
Place: Bengaluru	**Company Secretary &**
Date: April 30, 2025	**Chief Compliance Officer**

Notes:

General instructions for accessing and participating in the 21st AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting

1. The Ministry of Corporate Affairs ("MCA") vide its Circular No. 9/2024 dated September 19, 2024 has allowed the Companies to conduct its Annual General Meeting for the year 2025 through video conferencing ("VC") or other audio-visual means ("OAVM") in accordance with the requirements laid down in Para 3 and Para 4 o(the General Circular No. 20/2020 dated 05.05.2020. Further, the Securities and Exchange Board of India ("SEBI") also earlier vide its Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 05, 2023, Circular No. SEBI/HO/DDHS /P/CIR/2023/0164 dated October 07, 2023 and Circular No. SEBI/HO/CDF/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 ("SEBI Circulars") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In compliance with the applicable provisions of the Companies Act 2013 ("Act"), and foresaid circulars and guidelines issued in this regard, the Board of Directors has approved conducting of the 20th Annual General Meeting (AGM) of the Company through VC / OAVM, without physical presence of the Members

2. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 21st Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") (hereinafter referred to as "AGM' or "e-AGM"). In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April, 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the e-AGM. Since the AGM will be held through VC/OAVM means, the Route Map is not annexed in this Notice.

3. An Explanatory Statement pursuant to Section 102 of the Act setting out material facts relating to business under item numbers 3-6 to be transacted at the meeting is annexed hereto and forms part of this Notice.

4. Information with regard to Mr. L S Vaidyanathan as stipulated under the Listing Regulations and the applicable Secretarial Standard(s), is annexed hereto. Requisite declarations have been received from the respective Director seeking their appointment/ re-appointment.

5. In terms of provisions of Section 107 of the Act, the resolutions as set out in the notice are being conducted through e-voting, and therefore the said resolutions will not be decided on a show of hands at the AGM.

6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum of the meeting under Section 103 of the Act.

7. **E-AGM:** Company has appointed KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting the e-AGM.

8. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Further as per the MCA Circulars, the facility for appointment of proxies by the Members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

9. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/Authorization should be sent electronically through their registered email address to the Scrutinizer at sudhindraksfcs@gmail.com with a copy marked to cs@satchmoholdings.in.

10. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is KFin Technologies Limited, (KFin) having its office at Selenium Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032, Toll Free No.: 1800-309-4001, WhatsApp Number: (91) 91 0009 4099, E-mail: einward.ris@kfintech.com, Website: https://www.kfintech.com or https://ris.kfintech.com/ (email einward.ris@kfintech.com) and Investor Support Centre (DIY Link): https://ris.kfintech.com/clientservices/isc.

    Members are requested to note that, KFintech has launched a mobile application - KPRISM and a website https://kprism.kfintech.com/ for our members. Now, Members can download the mobile app and see portfolios serviced by KFintech, check dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM".

11. Pursuant to the provisions of the Listing Regulations, the Company is maintaining an E-mail ID, investor@satchmoholdings.in exclusively for prompt redressal of members/ investors grievances. No investor grievances has been pending as on this date.

12. **Attending e-AGM:** Members will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin. Members may access the same at https://emeetings.kfintech.com/ by clicking on "Video Conference" and access the shareholders'/ members' login by using the remote e-voting credentials which shall be provided as per Note No. 22 below. Kindly refer Note no. 22 below for detailed instruction for participating in e-AGM through Video Conferencing.

13. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.

14. As per the MCA Circular up to 1000 members will be able to join the e-AGM on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

15. A member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance of such member for the e-AGM and such member attending the meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

16. **Remote e-Voting**: Pursuant to the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through Company's Registrar and Transfer Agent. Kindly refer Note no. 22 below for detailed instruction for remote e-voting.

17. **Voting during the AGM:** Members who are present at the e-AGM through VC and have not cast their vote on resolutions through remote e-voting may cast their vote during the e-AGM through the e-voting system provided by KFin in the Video Conferencing platform during the e-AGM. Kindly refer Note No. 22 below for instruction for e-voting during the AGM.

18. The Company has fixed Friday, June 20, 2025 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the e-AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the e-AGM.

19. The Register of Members and Transfer Book of the Company will be closed from June 20, 2025 (Friday) to June 27, 2025 (Friday) (both days inclusive).

20. In compliance with the aforesaid MCA Circulars and the SEBI Circular dated October 03, 2024, Notice of the e-AGM along with the Annual Report for the financial year ended on 31st March, 2025 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories as on Friday, May 30, 2025. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.satchmoholdings.in . The Notice can also be accessed

from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The same is also available on the website of KFin website address https://evoting.kfintech.com/.

21. Procedure for registering the email addresses and obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in DEMAT form) or with RTA (in case the shareholders holding shares in physical form):

i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

a. Members holding shares in DEMAT form can get their e-mail ID registered by contacting their respective Depository Participant.

b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFin by sending an e-mail request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions.

ii. Those members who have not registered their email addresses with the Company / Depository Participants, as the case may be, are requested to contact the Compliance Officer of the Company at cs@satchmoholdings.in to register their email id with the Company.

In case of any queries, shareholder may write to einward.ris@kfintech.com.

iii. Those members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin, the Registrar and Share Transfer Agent of the Company, in case the shares held in physical form.

iv. In terms of the Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 issued by SEBI and as amended, the Members are requested to update their PAN and bank account details with KFintech (in case of physical holding) and with the DP (in case of dematerialised holding).

v. In accordance with the SBI Circular - SEBI/HO/MIRSD/POD-1/P/CIR/2023/158 dated September 26, 2023 and all other earlier circulars issued in this regard, the folios of the shareholders wherein if KYC, Bank details, Specimen are not available has been frozen by the RTA.

Further the RTA shall revert the frozen folios to normal status upon:

a) receipt of all the aforesaid documents / details at paragraph 4 above or

b) dematerialization of all the securities in such folios upon review of validation of KYC records by KRAs under Risk Management Framework

22. **Instructions for E-voting and joining AGM through VC / OAVM:**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations, the Company is pleased to provide the e-voting facility to its Members to cast their vote electronically through the e-voting services provided by KFintech on all resolutions set forth in this Notice.

The remote e-voting period will commence at 9.00 a.m. on Tuesday, June 24, 2025 and will end at 5.00 p.m. on Thursday, June 26, 2025. The Company has appointed Mr. Sudhindra K. S., Practicing Company Secretary (FCS 7909, CP No. 8190) to act as the Scrutinizer, to scrutinize the entire e-voting process at the AGM and remote e-voting in a fair and transparent manner.

The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech , on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

ii. However, in 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”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The remote e-Voting period commences on Tuesday, June 24, 2025.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date which shall be Friday, June 20, 2025.

vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”

viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings (e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. **User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. **User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1 3. **Alternatively by directly accessing the e-Voting website of NSDL** I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. 2. **User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 3. **Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e **KFintech** where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – **Kfintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800 1020 990** and **1800 22 44 30**
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022- 23058738** or **022-23058542-43**

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'SATCHMO HOLDINGS LIMITED - AGM" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id sudhindraksfcs@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

ii Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at investor@satchmoholdings.in. Questions /queries received by the Company till June 26, 2025 shall only be considered and responded during the AGM.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 1000 members on first come first served basis.

ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will opened during the e-voting period i.e from 9.00 A.M. on Tuesday, June 24, 2025 till 5.00 P.M. on Thursday, June 26, 2025. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from 9.00 A.M. on Tuesday, June 24, 2025 till 5.00 P.M. on Thursday, June 26, 2025. Questions /queries received by the Company till June 26, 2025, 5.00 P.M. shall only be considered and responded during the AGM.

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Ms. Krishna Priya M, Manager - Corporate Registry, at evoting@kfintech.com or call KFintech's toll free No. 1-800-3454-001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, June 20, 2025, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

   i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

      1. Example for NSDL:
      2. MYEPWD <SPACE> IN12345612345678
      3. Example for CDSL:
      4. MYEPWD <SPACE> 1402345612345678
      5. Example for Physical:
      6. MYEPWD <SPACE> XXXX1234567890

   ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/ , the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

   iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com .

The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

By order of the Board of Directors of
Satchmo Holdings Limited

Prasant Kumar
Company Secretary &
Chief Compliance Officer

Place: Bengaluru
Date: April 30, 2025

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3: To re-appoint and approve the remuneration payable to Mr. L. S. Vaidyanathan (DIN: 00304652), as Whole-time Director designated as Executive Director – Business Development of the Company:

Mr. L S Vaidyanathan, Whole-time Director designated as Executive Director-Business Development was earlier appointed for a period of twenty months from 1st October 2023 to 31st May 2025.

In view of the aforesaid approval expiring on May 31, 2025, the Board of Directors in its meeting held on April 30, 2024 has re-appointed Mr. L S Vaidyanathan as Whole-time Director for another period of 12 months from 1st June 2025 to 31st May 2026 (both days inclusive).

The profile and other details of Mr. L S Vaidyanathan are set out in the Annexure to the Notice. The Board of Directors also considers that apart from performing the executive functions of the Company he is also currently involved in regular negotiations and closing of various exits deals for turnaround of the Company. Hence, the Board based on his varied experience considered his association as Executive Director-Business Development would be of immense requirement to the Company. He further being a Whole-time Director also be liable to retire by rotation.

The Company has received from Mr. L S Vaidyanathan (i) consent in writing to act as Director and intimation in Form DIR-8 pursuant to the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act. The Company has also ensured that he is not debarred from holding the office of a director by virtue of any SEBI order or any such other authority.

The remuneration for Mr. L S Vaidyanathan as Whole-time Director has been approved by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee at their meetings held on April 30, 2024. His appointment and remuneration has been fixed in accordance with Sections 196, 197 and Schedule V to the Companies Act, 2013 (“the Act”).

It is further informed that the remuneration payable to the Executive Director shall be subject to the approval of Shareholders and upon receipt of NOC from various financial institutions including banks. The Company is however in the process of settlement of outstanding dues with the Banks and has also entered into one time settlement agreement with the Bank.

It is further informed that the Mr. L S Vaidyanathan, Executive Director of the Company, apart from performing the executive functions of the Company is further currently involved in regular negotiations and closing of various exits deals and also needs to plan out for turnaround of the Company. As the re-appointment of Mr. L S Vaidyanathan as Whole-time Director, designated as Executive Director-Business Development is in the best interest of the Company and its shareholders, it is hereby proposed to consider the proposal of re-appointment of Mr. L S Vaidyanathan as Whole-time Director of the Company without prior approval of the financial institutions including banks where the Company has defaulted in payment of its dues and is in the process of its settlement.

It is also informed that Mr. L S Vaidyanathan Whole-time Director of the Company has provided an undertaking to the Board of the Company stating that he shall not draw or accept any remuneration from the Company, if any fixed by the Board and approved by the Shareholders upon recommendation of the Committee, till the time the Company receives the approval from the various financial institutions including banks as the case may be.

The terms of appointment of Mr. L S Vaidyanathan are set out below:-

i. Basic salary of Rs 95,85,000/- (Rupees Ninety Five Lakh Eighty Five Thousand Only) per annum.
ii. Performance linked pay not exceeding Rs 32,85,000/- (Rupees Thirty Two Lakh Eighty Five Thousand Only) which will be approved by the Nomination and Remuneration Committee, at the end of each year
iii. Use of telephone(s) in Mr. Vaidyanathan’s residence; mobile phone and blackberry phone, the rent, call charges for the Company's business and other outgoings in respect thereof being paid by the Company;
iv. A chauffeur driven motor car, all expenses for the running, maintenance and upkeep of such motor car as also the salary of the chauffeur being borne and paid by the Company;
v. Reimbursement of medical expenses reasonably incurred by Mr. Vaidyanathan and his family and approved by the Chairman and/or the Board;
vi. Reimbursement of entertainment expenses reasonably incurred by Mr. Vaidyanathan wholly and exclusively for the purpose of the business of the Company and approved by the Chairman and/or the Board;

vii. Eligible for Employee Group medical insurance and benefit of personal accident insurance policy, the premium of which shall be borne by the Company.
viii. Benefit of the Company's Provident Fund Scheme in accordance with the rules of the Scheme in force for the time being provided that the Company's contribution thereto shall not exceed 12% (twelve per cent) of Mr. Vaidyanathan's salary as laid down in the Income-tax Rules, 1962 in force for the time being and from time to time;
ix. Leave on full remuneration in accordance with the rules of the Company in force for the time being and amended from time to time;
x. He is also eligible to participate in the Company's Employee Stock Option Plan/ Scheme, if announced; and
xi. Two club membership, the annual fee will be payable by the Company.

The expression "family" used in above shall mean Mr. Vaidyanathan's spouse and dependent children.

Income-tax, if any, on or in respect of the remuneration stated above shall be borne and paid by Mr. Vaidyanathan.

Save as aforesaid, Mr. Vaidyanathan shall not be entitled to any other payment, benefit or perquisite, whether by way of remuneration, compensation or otherwise, for or in respect or by virtue of his employment with the Company as a whole-time Director designated as Executive Director – Business Development

The approval of the Members is being sought for Mr. L S Vaidyanathan re-appointment as Whole-time Director and for the aforesaid remuneration proposed to be paid to him. Hence, the Special resolution is submitted to the Members seeking consent.

The Board and the nomination and remuneration committee considers that the remuneration and perquisites proposed to be paid to Mr. L S Vaidyanathan are commensurate with his duties and responsibilities as a Whole-time Director designated as Executive Director – Business Development. The remuneration proposed is also below the Industry standards.

Mr. L S Vaidyanathan holds 139501 equity shares of the Company.

Accordingly, the resolution set in Item No. 3 is submitted before the Shareholders for the reappointment of Mr. L S Vaidyanathan as a Whole Time Director for a period of 12 months effective from 1st June 2025 to 31st May 2026 (both days inclusive).

Except Mr. L S Vaidyanathan, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

Since the Company has outstanding borrowings from Banks and Financial Institutions and has amount outstanding on this account, as per the requirement specified under Section II (ii) Part II of Schedule V of the Companies Act, 2013, the Company is required to obtain prior 'No Objections' from the Secured Creditors for the appointment and for the aforesaid remuneration payable to Mr. L S Vaidyanathan.

A statement as per Section II (iv) of Part II of Schedule V to the Companies Act, 2013 and for re- appointment of Mr. L. S. Vaidyanathan as Executive Director is set out below:

I. General Information

Nature of industry	Construction, Development of Projects including Real Estate, Housing, Commercial premises hospitality etc.
Date or expected date of commencement of commercial production	2004 (Date of Incorporation : 20th February 2004)
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

Financial performance based on given indicators	Details (Rs. In Crores)	2021-22	2022-23	2023-24
	Paid Up Capital	145.83	145.83	145.83
	Reserves & Surplus	(1,054.94)	(1,111.87)	(1,108.36)
	Turnover	203.25	170.23	95.10
	Profit/(Loss) Before Tax	(9.88)	(56.93)	2.46
	Profit/(Loss) After Tax	(10.44)	(56.93)	3.56
Export performance and net foreign exchange collaborations	No foreign exchange earnings on account of Export			
Foreign Investment or Collaboration	NIL			

II. Information about the appointee:

(1) Background details	Mr. L S Vaidyanathan holds a Bachelor of science degree from Madras University. He is also a Chartered Accountant from the Institute of Chartered Accountants of India. Before joining the Company in the year 2005, Mr. Vaidyanathan was a Practising Chartered Accountant. Mr. Vaidyanathan has over 35 years of experience in auditing, consulting, and in real estate industry. He was also a partner in Janardhan & Associates, K S Sanghavi & Company, Chartered Accountants, Bengaluru. Mr Vaidyanathan has been associated with the real estate industry for the last 30+ years. As a Director of the Company, Mr Vaidyanathan is responsible for all strategic matters relating to business including business development, transaction strategy, Resources mobilisation and Direct Taxation.
(2) Past 3 (Three) Financial years remuneration	For FY 2021-22 – NIL For FY 2022-23 – NIL For FY 2023-24 – NIL For FY 2025-till date - NIL
(3) Recognition or awards	NA
(4) Job profile and his suitability	Mr. L.S. Vaidyanathan is holding the position of Whole-time Director designated as Executive Director – Business Development. He is responsible for Business Development, identification of new projects and acquisition of land / land rights through Joint Development / JV as the case may be. As a qualified Chartered Accountant Mr. L. S. Vaidyanathan is adept in financial dealings and is capable of evaluating the potential opportunities and assessing the risk in the business. His 30+ years of previous experience as Practicing Chartered Accountant his exposure to various Real Estate firms / business is an asset to the Company. He is an acknowledged leader in the Real Estate market.
(5) Remuneration proposed (Subject to 'No Objections' from the Secured Creditors)	**Proposal:** i. Basic salary of Rs 95,85,000/- (Rupees Ninety Five Lakh Eighty Five Thousand Only) per annum. ii. Performance linked pay not exceeding Rs 32,85,000/- (Rupees Thirty Two Lakh Eighty Five Thousand Only) which will be approved by the Nomination and Remuneration Committee, at the end of each year iii. Use of telephone(s) in Mr. Vaidyanathan's residence; mobile phone and blackberry phone, the rent, call charges for the Company's business and other outgoings in respect thereof being paid by the Company; iv. A chauffeur driven motor car, all expenses for the running, maintenance and upkeep of such motor car as also the salary of the chauffeur being borne and paid by the Company;

	v. Reimbursement of medical expenses reasonably incurred by Mr. Vaidyanathan and his family and approved by the Chairman and/or the Board; vi. Reimbursement of entertainment expenses reasonably incurred by Mr. Vaidyanathan wholly and exclusively for the purpose of the business of the Company and approved by the Chairman and/or the Board; vii. Eligible for Employee Group medical insurance and benefit of personal accident insurance policy, the premium of which shall be borne by the Company. viii. Benefit of the Company's Provident Fund Scheme in accordance with the rules of the Scheme in force for the time being provided that the Company's contribution thereto shall not exceed 12% (twelve per cent) of Mr. Vaidyanathan's salary as laid down in the Income-tax Rules, 1962 in force for the time being and from time to time; ix. Leave on full remuneration in accordance with the rules of the Company in force for the time being and amended from time to time; x. He is also eligible to participate in the Company's Employee Stock Option Plan/ Scheme, if announced; and xi. Two club membership, the annual fee will be payable by the Company. The expression "family" used in above shall mean Mr. Vaidyanathan's spouse and dependent children. Income-tax, if any, on or in respect of the remuneration stated above shall be borne and paid by Mr. Vaidyanathan. Save as aforesaid, Mr. Vaidyanathan shall not be entitled to any other payment, benefit or perquisite, whether by way of remuneration, compensation or otherwise, for or in respect or by virtue of his employment with the Company as a whole-time Director designated as Executive Director – Business Development.
(6)Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Mr. L.S. Vaidyanathan, being a Chartered Accountant with more than 35 years will receive a higher remuneration in any sector. With his 30+ years of experience in this Real Estate Business the proposed remuneration is much lower compared to other in similar Board level position.

Name of the employee and Employer	Position, Qualification, Experience	Remuneration as disclosed in Annual Report for F.Y. 2023-24 (Rs. in Crs.)*
Mr. Guruprasad Srinivasan, Quess Corp Limited	Executive Director & Group CEO, 25+ Yrs	2.18
Mr. Sameer Khetarpal Jubilant FoodWorks Limited	Chief Executive Officer and Managing Director, 25+ Yrs	6.32
Mr. Sanjiv Puri, ITC Limited	Chairman & Managing Director, 35+ Yrs	20

*As the Annual Report for F.Y. 2024-25 were not available for the similar industry, last year figures has been quoted for Comparative remuneration.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	There is no pecuniary relationship direct or indirect with the Company and Mr. L.S. Vaidyanathan is also not related to any of the Directors of the Company.

III. Other information:

(1) Reasons of loss or inadequate profits	The Company has achieved lower Turnovers since past few Years as the Company has shifted its business from real estate sector to other business including Catering, Facilities Management, Trading and other new ventures.
(2) Steps taken or proposed to be taken for improvement:	**The Company's Ongoing projects** The Company has already planned to exit from its residential real estate business and enter into Commercial real estate business including facility management and warehousing businesses along with Food and Catering Business. The Company is currently planning to diversify its business and scouting for a partner for raising funds thought its subsidiary as Special Purpose Vehicle. The Company is selectivity looking at opportunities into new geographies and businesses for a sustainable growth The Company is also looking for leasing out space for its catering business. **Significant and Material Orders Passed** – The Company is currently under one time settlement with its lead Bankers regarding default on outstanding loans from Banks and Financial Institutions.
(3) Expected increase in productivity and profits in measurable terms	NA

Item No. 4: To re-appoint M/s Kedarnath & Karthik, a Firm of Practicing Company Secretaries as Secretarial Auditors of the Company for the period of 5 Years

This explanatory statement is provided in accordance with Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"), every listed company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act. Furthermore, pursuant to recent amendments to Regulation 24A of the SEBI Listing Regulations, every listed entity is required to conduct a Secretarial Audit and annex the Secretarial Audit Report to its annual report. Additionally, a listed entity must appoint a Secretarial Audit firm for a maximum of two terms of five consecutive years, subject to the shareholder's approval obtained at the Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s. Kedarnath & Karthik, a Firm of Practicing Company Secretaries, as the Secretarial Auditors of the Company for a period of five years, commencing from April 1, 2025, to March 31, 2030. The appointment is subject to shareholders' approval at the Annual General Meeting. While recommending M/s. Kedarnath & Karthik for appointment, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. M/s. Kedarnath & Karthik was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

M/s. Kedarnath & Karthik is a peer reviewed and a well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, New Delhi. The firm is managed by the well experienced and veteran partners who has expertise in the field of corporate governance and compliances.

The terms and conditions of M/s. Kedarnath & Karthik appointment include a tenure of five years, from April 1, 2025, to March 31, 2030 at a fixed per annum remuneration of Secretarial Audit fees of Rs. 85,000/- (Rupees Eighty Five Thousand only), plus applicable taxes and other out-of-pocket costs incurred in connection with the audit and shall be reviewed annually by the Board. The proposed fees are determined based on the scope of work, team size, industry experience, and the time and expertise required by them to conduct the audit effectively. Additional fees for statutory certifications and other professional services will be determined separately by the management.

M/s. Kedarnath & Karthik has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations. Accordingly, the consent of the shareholders is sought for the appointment of M/s. Kedarnath & Karthik as the Secretarial Auditors of the Company.

The Board of Directors recommends the resolution for approval by the Members, as set out at Item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

Item No. 5: To approve existing as well as new Material Related Party Transaction(s) in terms of Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, govern the Related Party Transactions for entering into any contract, transactions or arrangement with the related party (ies).

The provisions of the SEBI Listing Regulations, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and at an arm’s length basis. A transaction with a related party shall be considered as material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crores, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

In the financial year 2025-26, the related party transactions as mentioned below, in the aggregate, are not expected to cross the applicable materiality thresholds as mentioned above. As a matter of prudent practice, prior approval of the Members is being sought for all such arrangements/ transactions to be undertaken by the Company. All the transactions to be entered into would be in the ordinary course of business of the Company and on an arm’s length basis.

The Company proposes to enter into transactions with its related party mentioned in Resolution at Item no. 5 of the Notice, during the financial year 2025-2026, as per the terms and conditions as mutually agreed upon between the parties. The Audit Committee of the Company has also approved the said related party transactions at its meeting held on April 30, 2025 and has noted that the proposed related party transactions are in the ordinary course of business of the Company and shall be entered into at an arm’s length basis.

Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions to be undertaken by the Company.

Your Board of Directors considered the same and recommends for passing the resolution contained in Item No. 5 of the accompanying Notice.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025 is provided herewith:

Sl. No.	Particulars	Details
1.	Name of Related Partys	Northroof Ventures Private Limited Marathalli Ventures Private Limited Satchmo Foods Private Limited Nitesh Infrastructure & Constructions Nitesh Land Private Limited Nitlogis Private Limited
2.	Nature and Material Terms of Contract	Sale of goods, rendering of services and receiving of services and providing advances towards the services to be rendered.
3.	Whether in Ordinary Course of Business	Yes
4.	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contract.
5.	Whether at Arm's Length basis	Yes
6.	Estimated Value of Approval being sought	100 Crores in aggregate or 10% of annual consolidated turnover
7.	Tenure of the Proposed transactions	One year
8.	Justification as to how these RPTs is in the interest of the Company	Contracts / Arrangement(s) are commercially beneficial for your company
9.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	100%
10.	If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness; cost of funds; and tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
11.	Any other information relevant or important for the members to take a decision on the proposed transaction.	Nil

Item No. 6: To approve making Investments, giving Loans, giving guarantees and providing Securities under Section 185 and 186 of the Companies Act, 2013 and rules made thereunder in Satchmo Foods Private Limited (Wholly Owned Subsidiary) or any other Persons/bodies Corporate in India (existing or which may be promoted/ incorporated)

As per provisions of section 185 and 186 of the Companies Act, 2013 the Board of directors of a company could make any investment or give any loan, guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities by way of subscription, purchase or otherwise to any person or body corporate to the extent of sixty percent (60%) of paid up share capital, free reserves and securities premium or one hundred per cent (100%) of its free reserves and securities premium account whichever is more and for making any investments by acquiring securities, giving any loans or providing guarantees and/or security in excess of limit specified above, the approval of the members of the company in General Meeting by way of Special resolution has to be obtained.

The Company being a Holding Company has recently incorporated Satchmo Foods Private Limited, its wholly owned Subsidiaries and shall also be incorporate one or more step down subsidiaries in these sectors and shall be further investing in these subsidiary for its expansions.

Currently the Company has planned to invest Rs. 5 Crores towards the plant and machinery in Satchmo Foods Private Limited, its wholly owned Subsidiaries and has already taken its possession of the Factory Premises and has also started procurement of the machinery and equipment for production and shall commence its first production from its factory premises between second and third quarter of the financial year 2025-26.

As the Company may make further investments by acquiring securities by way of purchase or subscription or otherwise from time to time and/or may give loan and guarantee to any person, it is proposed that the Company may make investment and give any loan, guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities by way of subscription, purchase or otherwise notwithstanding that the aggregate of the loans provided, guarantee or securities so far given or to be given to and/or securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under this section.

Your directors recommend the resolution set out at Item no. 6 to be passed as a special resolution by the members.

None of the directors, key managerial personnel and relatives of directors and/or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution, except in the ordinary course of business and extent to their shareholding and directorship.

Brief particulars of the Director being appointed pursuant to the applicable provisions of Companies Act, 2013 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting

Name of Directors	**Mr. L. S. Vaidyanathan**
Age	61
Qualification(s)	Mr. L S Vaidyanathan holds a degree of Bachelor of Science from Madras University. He is a fellow member of the Institute of Chartered Accountants of India
Date of first Appointment	30.06.2005
Expertise in specific Functional areas	Mr. L S Vaidyanathan holds a Bachelor of science degree from Madras University. He is also a Chartered Accountant from the Institute of Chartered Accountants of India. Before joining the Company in the year 2005, Mr. Vaidyanathan was a Practising Chartered Accountant. Mr. Vaidyanathan has over 35 years of experience in auditing, consulting, and in real estate industry. He was also a partner in Janardhan & Associates, K S Sanghavi & Company, Chartered Accountants, Bengaluru. Mr Vaidyanathan has been associated with the real estate industry for the last 30+ years. As a Director of the Company, Mr Vaidyanathan is responsible for all strategic matters relating to business including business development, transaction strategy, Resources mobilisation and Direct Taxation.
Name of listed entities in which the person also holds the directorship	NA
Membership of Committees in Listed Companies	Satchmo Holdings Limited 1. Audit Committee - Member 2. Stakeholders' Relationship Committee-Member
No. of shares held in the Company as on the date of the notice	139501

In pursuance to Schedule V, Part II, Section II Part (B), proviso (iv), a Statement containing following information is reproduced:
General Information:

(1) Nature of the Industry:
Satchmo Holdings Limited (SHL) is an Investments and Holding company having cluster of businesses in the sectors of Facilities Management, Catering, Restaurants, Food, and Equity Trading and having its business in the state of Karnataka, India.

(2) Incorporation Details:
The Company was initially incorporated on February 20, 2004 bearing Registration No.: 33412 as a Private Limited Company under the provisions of the Companies Act, 1956 and was subsequently listed on May 13, 2010. The name of the Company was recently changed to Satchmo Holdings Limited pursuant to a Fresh Certificate of Incorporation Consequent to Change of Name (bearing Registration No.: 33412 and CIN: L93000KA2004PLC033412) issued by Registrar of Companies, Karnataka dated December 16, 2022.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus: Not Applicable

(4) Financial Performance: The financial performance (standalone) of the company for the past 3 years is given below: (Rs. in lakhs)

Particulars	**2024-25**	**2023-24**	**2022-23**
Turnover	530	9,510	7,606
Profit/(Loss) Before Tax	1551	246	(5,694)
Profit/(Loss) After Tax	1551	356	(5,694)
EPS	1.06	0.24	(3.90)
Dividend (%)	Nil	Nil	Nil

(5) Foreign Investment or collaborations, if any: Not Applicable

By order of the Board of Directors of
Satchmo Holdings Limited

Prasant Kumar

Place: Bengaluru
Date: April 30, 2025

Company Secretary &
Chief Compliance Officer

Board's Report

Dear Members,
Your Directors present their 21st Annual Report with the standalone and consolidated annual audited accounts of the Company for the year ended March 31, 2025.

1. **Financial Results:**

(Rupees in Lakh)

Particulars	STANDALONE		CONSOLIDATED	
	2024-25	2023-24	2024-25	2023-24
Revenue from operations	**159**	**1,929**	1,182	4,401
Other Income	**371**	**7,581**	345	8,947
Total Income	**530**	**9,510**	**1,527**	**13,348**
Total Expenses	2,204	8,209	2,902	11,868
Profit/(loss) before Exceptional Items and Tax	(1,674)	1,301	(1,375)	1,480
Exceptional Items	3,225	(1,055)	3,213	(10)
Profit/(Loss) before Tax	1,551	246	1,838	1,470
Less : Tax	-	(110)	-	(110)
Net Profit / (Loss) after tax	**1,551**	**356**	**1,838**	**1,580**

2. **State of Company's Affairs:**

I. **Financial Statement:**

The Company has complied with the applicable provisions of the Companies Act, 2013 (the Act) and the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015 ('the Listing Regulations') in preparation of Standalone and Consolidated financial statements.

The audited consolidated Balance Sheet as at 31st March, 2025, consolidated statement of Profit and Loss for the year ended as on that date together with the Notes and Reports of Auditors along with the Statement on Impact of Audit Qualifications as stipulated in regulation 33(3)(d), Cash flow Statements , Management Discussion and Analysis Report forms part of the Annual Report. The financial figures have been regrouped, wherever required, in line with disclosure requirements under Schedule III of the Act.

a. Standalone:

During the year under review the Company has earned a total income of Rs. 530 Lakhs as against Rs. 9,510 Lakh in the previous year. The Company has incurred total expenses of Rs. 2,204 Lakh as compared to previous year's expenses of Rs. 8,209 Lakh. The Company has incurred net profit of Rs. 1551 Lakhs for the year 2024-2025 as against a net profit of Rs. 356 Lakhs in the previous year.

b. *Consolidated*:

During the year under review the Company has earned a total income of Rs. 1,527 Lakhs as against Rs. 13,348 Lakh in the previous year. The Company has incurred total expenses of Rs. 2,902 Lakh as compared to previous year's expenses of Rs. 11,868 Lakhs. The Company has incurred net profit of Rs. 1,838 Lakhs for the year 2024-2025 as against a net profit of Rs. 1,580 Lakhs in the previous year at growth of almost 25% in net profit.

II. **Change in nature of business:**

The Company has not changed its business in the year 2024-25 and is predominantly focused on its businesses in the sectors of Facilities Management, Catering, Restaurants, Food, and Equity Trading.

3. **Dividend:**

No dividend has been declared in the year 2024-25. Further there was no such amount towards unpaid Dividend to be transferred to the IEPF during the current year.

4. **EPS**

The Basic Earnings per Share has increased from Rs. 0.24 of previous year to Rs. 1.06 in the current year 2024-25.

5. Deposits

The Company has not accepted any fresh deposits as per the provisions of Section 73 of the Act during the current financial year.

6. Transfer to Reserves

No amount was required to be transferred to the reserves.

7. Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year to which the financial statement relate and the date of the report:

There were no such material changes and commitments, affecting the financial position of the Company occurred between the end of the financial year and the date of this Report. However, The Company has incurred losses over the years resulting in negative net worth, negative working capital and negative cash flows. The default in payment of dues to banks and financial institution and creditors etc are the identified events that, individually or collectively, still cast significant doubt on the Company's ability to continue as a going concern. The banks and financial institutions have declared the outstanding loan accounts of the company as Non-Performing Accounts (NPA).

The Company is still in negotiation with JCF (ARC) for the proposed one time final settlement.

No other one time settlement (OTS) has been entered by the Company during the current year.

8. Change in the Nature of Business, if any

During the year under review, there has been no change in the nature of business.

Company has also not changed any of its clauses in its Memorandum and Articles of Association during the current year.

9. Finance and Accounts

During the year under review, your Company has not availed any credit facilities from Banks or any other financial institutions nor has made any investments in any other entities.

As mandated by the Ministry of Corporate Affairs, the Financial Statements for the year ended March 31, 2025 have been prepared in accordance with the Ind AS, notified under Section 133 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, as amended from time to time. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to give a true and fair view of the state of affairs and profits and cash flows of your Company for the year ended March 31, 2025.

10. Consolidated Financial Statements

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and Section 129 of the Act read with Schedule III to the Act, the Consolidated Financial Statements of your Company for the financial year ended March 31, 2025 have been prepared in accordance with the relevant Ind AS issued by the Institute of Chartered Accountants of India and on the basis of the audited financial statements of your Company and the last Audited Financial Statements of your Company's subsidiaries as approved by their respective Board of Directors.

11. Human Relations and Industrial Relations

During the year under review, employee relations at all sites remained cordial. Despite the exceptional challenges faced in past years, the motivated work force aided your Company in maintaining its Industrial Relations at all time.

12. Significant or material orders passed by the regulators/ courts :

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals against the Company, impacting the Company's operations in future. The Company is pursuing various matters in different courts, NCLT and other forums which is being addressed by the Company.

The Company has also received various notices from different statutory authorities from time to time due to irregular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax, goods and services tax, MSME dues and Cess.

There are no orders passed by under IBC against the Company during the current year.

13. Significant events/actions, having a major bearing on the Company's affairs:

There are no significant events/actions during the previous year that may have a major bearing on the Company Affairs.

14. Board Diversity:

Your Company believes that a diversified board will bring differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race and gender that will help us retain our competitive advantage and as a collective is equipped to guide the business and strategy of the company.

At present, your company have an appropriate mix of executive, non-executive, women and independent directors to maintain the independence of the Board, and separate its functions of governance and management. Also one of the independent directors on the Board of the Company is a woman director.

15. The Board of Directors and the composition thereof

I. Composition of the Board

The Board of the Company currently comprises of 6 (Six) Directors of which three are Independent Directors including an Independent Woman Director. The Composition of the Board of Directors is in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations.

Declaration by Independent Directors

The Company has received necessary declarations from the Independent Directors stating that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013 and in the Listing Regulations. All Independent Directors of the Company have registered themselves as Independent Director with Indian Institute of Corporate Affairs at Manesar in accordance with the Companies (Appointment and Qualification of Directors) Rules, 2014.

II. Change in the Board

Mr. Nitesh Shetty (DIN:00304555) appointed as Chairman & Managing Director of the Company since 2006 and has been re-appointed by special resolution passed by the shareholders for the period of one year with effect from 15th December 2024 to 14th December 2025 (both days inclusive).

Mr. Rajeev Khanna (DIN:07143405), Executive Director of the Company resigned from the position of Whole-time Executive Director and Chief Financial Officer of the Company on April 16, 2024.

During the year, Mr. Ramesh Karur Raghavendran (DIN:03572425) has been appointed as Whole-time Executive Director and Chief Financial Officer of the Company, who shall retire by rotation in the Annual General Meeting, and is eligible for re-appointment.

All appointment of the Directors of the Company have been duly intimated to the Stock Exchanges and to the Ministry of Corporate Affairs, New Delhi.

III. Meetings of the Board

The Board of Directors met 6 (Six) times during the year on following dates;

1. 16th April 2024	2. 10th May 2024
3. 02nd August 2024	4. 08th November 2024
5. 15th January 2025	6. 31st January 2025

In accordance with the provisions of the Companies Act, 2013 and SEBI (LODR), a separate meeting of the Independent Directors were held on 31st January 2025 and 21st March 2025.

The Composition of the Board and the Committees along with the meeting attendance details are provided in the Corporate Governance Report.

IV. Annual Evaluation of the Board, its Committees and Individual Directors

The Independent Directors of the Company at their separate meeting held on 31st January 2025 as per the provisions of Section 149 read with Schedule V of the Companies Act, 2013 and the Listing Regulations, had carried out an annual evaluation of the

Board, Committees and individual Directors' performance. The performance of the Board was evaluated after seeking inputs from the Independent Directors on the basis of criteria such as Board composition, Structure, Board processes and their effectiveness, information given to the Board, etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual Directors' on the basis of criteria such as their participation, contribution at the meetings, and their preparedness on the agenda items to be discussed etc. Additionally the Chairman was also evaluated on key aspects of his role.

V. Familiarization programme for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, it's Management and operations and provides an overall industry perspective as well as issues being faced by the industry.

The Company also keeps the Board updated on the applicable Laws, Regulations, Enactments etc. and any changes, amendments thereon from time to time.

16. Directors' Responsibility Statement

In terms of the requirements of Section 134(5) of the Companies Act, 2013, we, on behalf of the Board of Directors, hereby state that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis; and

e) the directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.

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

17. Nomination and Remuneration Policy

The Nomination and Remuneration Committee (NRC) has formulated a policy relating to nomination of and remuneration for the directors, Key Managerial Personnel and Senior Management personnel.

The Nomination and Remuneration policy has been prepared pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations and were recently updated.

Non-Executive Independent Directors are remunerated by way of sitting fees for attending the meetings of the Board and the Committees thereof. During the year the sitting fees paid for Board Meetings and Audit Committee meetings is Rs. 50,000/- for all the meetings attended during the quarter, the Nomination & Remuneration Committee is Rs 15,000/- and the Stakeholders Relationship Committee is Rs. 15,000/-.

The Nomination & Remuneration Policy of the Company is uploaded on the Website of the Company at:
https://satchmoholdings.in/policies-other-related-matters/

Remuneration Details of Directors and Employees pursuant to Section 134 of the Companies Act, 2013 and the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Ratio of remuneration of each Director to the median remuneration of the employees and percentage increase in the remuneration is as follows:

Sl. No.	Name of the Directors	Designation	Ratio of remuneration to median remuneration of the Company	% increase in the remuneration of Directors
1.	Mr. Nitesh Shetty	Managing Director	-----	Nil
2.	Mr. L. S Vaidyanathan	Whole-Time Director	-----	Nil

The shareholders of the Company has earlier approved the appointment of Mr. Nitesh Shetty as Managing Director and Mr. L S Vaidyanathan as Whole-Time Executive Director of the Company along with the terms of remuneration payable to, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of appointment. As the Company has still not received the NOC form the financial institutions including banks where the Company has default in payment of its dues, both Mr. Nitesh Shetty, Managing Director and Mr. L S Vaidyanathan, Executive Director of the Company has provided an undertaking to the Board for non-acceptance of any remuneration from the Company till the NOC is obtained by the Company.

18. Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism policy for its Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct/business ethics that provides for adequate safeguards against victimization of the director(s) and employee(s) who avail of the mechanism. None of the Directors/Employees of the Company have been denied access to the Chairman of the Audit Committee. No complaint has been received during the financial year 2024-25.

19. Corporate Social Responsibility

In view of continuing losses and this being the first year of profit which is much below the threshold limit, the Company was not required to contribute towards CSR activities and has also not contributed towards any CSR activities during the year 2024-25. The Company was also not required to constitute a separate Corporate Social Responsibility Committee under the provisions of Companies Act 2013.

20. Internal Financial Controls

The Board of the Company is of the opinion that the Company's Internal Financial Controls were adequate and effective during the period ended as on 31st March, 2025, based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of Internal Financial Controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board committees, including the Audit Committee.

The Company has an established Internal Financial Control framework including internal controls over financial reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the management and tested by internal audit team and presented to the audit committee. Based on periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

The Company has a proper and adequate Internal Control System to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized and recorded. Information provided to Management is reliable and timely. Company ensures adherence to all statutes.

21. Statutory Auditors

M/s KAMG & Associates, Chartered Accountants (Firm No. 311027E) were appointed as new Statutory Auditors of the Company in the last Annual General Meeting and have expressed a modified opinion in their Audit Report for the financial year ended 31st March, 2025.

The Statement on Impact of Audit Qualifications as stipulated in regulation 33(3)(d) along with the management response to the same is as below:

Audit Qualification (each Audit Qualification separately)

1. Audit Qualification: *The Company has incurred losses over the years resulting in negative net worth and negative working capital. The default in payment of dues to banks and financial institutions and creditors etc. are the identified events that,* *individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern. The Statement does not adequately disclose this fact.*

The Company has stepped back / separated from certain projects under development and has transferred those projects to other developers/ landowners through the Memorandum of Understanding (MOU) or Business Transfer Agreement (BTA). Although these transactions have reduced the liability of the Company to banks and financial institutions, the ability of the Company to continue as a going concern continues to remain uncertain in view of the negative net worth.

As the Company has not recognized this fact and has prepared the standalone financial statements on a going concern assumption basis without carrying out any adjustments, in our opinion, the Statement may not give a true and fair view.

Response : Comprehensive approaches focused on identifying root causes with strategical planning have been put in place to revive with potential business diversification. This was already a part of the previous year AGM agenda too. Efforts are being made to close the borrowings through OTS and it's in final stages of conclusion and closure. Considering these the Management is of the view the impact of Going concern would not be of concern anymore in future.

2. Audit Qualification: *Year-end balance confirmation in respect of trade receivables, trade payables, vendor advances, advances from customers and other advances have not been provided for our verification and record for all the parties. In the absence of such confirmation, we are unable to ascertain any consequential effect of the above to the financial results for the year. As explained, necessary mails have been sent to some of the parties for confirmation. However, no replies have been received in this regard except in few cases.*

Response : Balance confirmation letters have been sent to the vendors & customers on RPAD basis for the samples selected by the Audit team. However, from the books of accounts point of view all controls are in place to ensure that the balances of customers and vendors which are a part of financial statements are stated correct.

3. **Audit Qualification:** *As per the records of the Company and information and explanations provided to us, the Company has been irregular in depositing the undisputed statutory dues, including provident fund, income-tax, value-added tax, Goods and Services tax, cess, etc. The Company is yet to deposit to the Income Tax Department the tax deducted from vendors amounting Rs. 128 lakhs and is an assessee in default by virtue of Income Tax Act.*

The Company also has a receivable balance of Rs. 678.39 Lakhs and a payable balance of Rs. 201.42 Lakhs (excluding interest and disputed VAT liability under appeal) from/ to various government authorities. Due to such statutory non-compliance, we are unable to comment on the actual recoverability and payment of the dues against such balances.

Response : The Company has further paid the outstanding dues to certain extent during the previous year and is hopeful of liquidation of substantial amount of statutory liabilities in its current year subject to availability of funds.

4. ***Audit Qualification:*** *Necessary documents with respect to certain advance payments to vendors and receipts from vendors/customers and movement in balance during the period were not made available for our verification which include a balance payable to a former subsidiary amounting Rs 624 lakhs out of which Rs 40 lakhs was received during the year the purpose and details of which were not made available to us by the management. Consequently, we are unable to comment on such transactions and balances.*

Response : Amounts are already reflecting in books of accounts.

5. **Audit Qualification***: Inventories amounting to Rs 1,441 Lakhs (Net of "Payable to Land Owner for land under JDA") has not been tested impairment for ascertaining the realizable value as on 31 March 2025. To the extent of any possible diminution of value not accounted for, the standalone financial results may not give a true and fair view as per the requirement of Ind AS 22.*

Response : Valuation of Inventories for the JDA agreement/projects to ascertain Net Realisable Value (NRV) is not practical for the unfinished or early stage projects. However, as per Management, considering the market value of similar projects in that area and the balance cost to be incurred the value will be higher than the cost incurred in the books of accounts. Hence as per the Management the books of accounts have been fairly stated at cost which is generally lower than the NRV.

6. **Audit Qualification:** *The Company had written off old debit balances and also written back old payables in the year ended 31 March 2025 amounting Rs 129 lakhs and Rs 3,342 lakhs respectively as the same are considered unrealizable and without any* *claim for payment over a considerable period of time. Supporting documents were mostly not made available to us as audit evidence for our verification and record in regard to such write offs/write backs as mentioned*

Response : Liability is already recorded in books of accounts.

22. Secretarial Auditor

The Board of Directors of the Company appointed M/s Kedarnath & Karthik (Firm of Company Secretaries) as the Secretarial Auditors of the Company for the financial year 2024-25. The Secretarial Audit Report for the year ended 31st March, 2025 issued by the Secretarial Auditors in accordance with the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder is annexed to this report separately as **Annexure - A.**

There are no qualifications or adverse remarks in the Secretarial Audit Report for the Board of Directors of the Company

23. Particulars of remuneration of employees

The details of remuneration to Directors, Key Managerial Personnel and the statement of employees in receipt of remuneration exceeding the limits prescribed under Section 134 of the Companies Act, 2013 read with rules made thereunder has been provided in **Annexure B** to this report. There were a total of 68 employees during the end of the financial year.

24. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

In terms of Section 134 of the Companies Act, 2013 read with rules made thereunder, the particulars of conservation of energy, technology absorption, and foreign exchange earnings and outgo are set out in **Annexure C** to this report.

25. Corporate Governance

In terms of Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, Corporate Governance Report forms part of this Annual Report.

Further, a certificate from M/s Kedarnath & Karthik (Firm of Company Secretaries) affirming the compliance with the various provisions of the Corporate Governance in terms of Regulation 27 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms part of the Annual Report and exhibited separately.

26. Accounting Standards

Your Company has been adopting “IndAS” since April 01, 2017. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (to the extent notified) and guidelines issued by SEBI. The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

27. Secretarial Standards

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

28. Reconciliation of Share Capital Audit

As per the directive of Securities and Exchange Board of India, M/s Kedarnath & Karthik (Firm of Company Secretaries), undertook the Reconciliation of Share Capital Audit on a quarterly basis and the reconciliation documents, for the year under review, have been duly uploaded on the website of the Stock Exchange.

29. Cost Audit and Cost Records

During the year under review, provisions of Section 148 of the Companies Act, 2013 read with Rule 4 of the Companies (Cost Record and Audit) Rules, 2014, that every company specified in item (B) of rule 3 shall get its cost records audited in accordance with these rules was not applicable for the Company for the year 2024-25 as the overall annual turnover of the company from all its products and services during the financial year ending 31st March 2025 (immediately preceding financial year) was much below the prescribed limit under the Act. However, the maintenance of Cost Records as prescribed under the provisions of Section 148 of the Act was applicable for the business activities carried out by the Company. The Company has been maintaining the Cost Records and updating the same from time to time as applicable.

30. Political Contribution

Your Company has not made any political contribution to any political parties during the financial year under review.

31. Certificate Pursuant to Clause 10 of Schedule V of (LODR), Reg, 2015:

In terms of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained certificate from Practicing Company Secretary with respect to disclosure/ declaration/ representation received from the directors and taken on record by the Board of Directors, as on March 31, 2025, none of the Directors of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/ Ministry of Corporate Affairs or any such other statutory authority. The above said Certificate is appended hereto and forms part of the Corporate Governance Report.

32. Code of Conduct

In terms of Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, a declaration signed by Mr. Nitesh Shetty, the Chairman & Managing Director of the Company affirming compliance with the Code of Conduct by the Directors and Senior Management Personnel of the Company for the financial year 2024-25 forms part of the Corporate Governance Report.

33. Management Discussion and Analysis Report

In terms of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is presented in a separate section and forms part of the Annual Report.

34. Extract of the Annual Return

In accordance with the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, rule 12, sub rule (1) as amended, the extract of the Annual Return (MGT-9) is no longer required to be attached along with Board Report. The copy of the Annual Return for the year 2024-25 can be accessed on the Company's website at the link: https://satchmoholdings.in/Annual Return/

35. Particulars of Loans, Guarantees and Investments

Pursuant to the provisions of Section 134 of the Companies Act, 2013 the particulars of the loans, guarantees and investments made by the Company under Section 186 of the Companies Act, 2013 is detailed in the Notes to Accounts section of the Annual Financial Statements.

During the year under review the Company has not obtained any fresh new Loans, guarantees and securities from any financial institutions or Banks and all Loans, guarantees and securities are within the limits as prescribed under section 186 of the Companies Act, 2013.

During the year under review the Company has made in investment of Rs. 100,000 towards equity capital in its Wholly Owned Subsidiary – Satchmo Foods Private Limited by subscribing 10,000 Equity shares of Rs. 10/- each in its Equity Share Capital.

The Company has further proposed to invest Rs. 5 Crores in trenches towards the plant and machinery in Satchmo Foods Private Limited, its wholly owned Subsidiaries and has already taken its possession of the Factory Premises and has also started procurement of the machinery and equipment for production.

36. Related Party Transactions

During the year under review, the Company has obtained all necessary approvals for contract/ arrangement/ transaction entered with a related party in terms of the policy adopted by the Company and under the provisions of Section 188 of the Companies Act, 2013 and the Listing Regulations 23 of SEBI (LODR) on the Related Party transactions.

The transactions entered with the Related Parties as defined under the Companies Act, 2013 and identified by the Company are at arms-length and in the normal course of business transactions. There were no material related party transactions entered by the Company during the previous year, which requires prior Shareholder's approval.

The Related Party Transactions under IND-AS 24 undertaken during the financial year 2024-25 are detailed in the Notes to Accounts section of the Annual Financial Statements.

The Half yearly reports of Related Party transactions has also been placed on the website of BSE (Exchange).

37. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace. There were no cases reported under POSH Act during the previous year.

38. Risk Management Policy

The Company has formulated a comprehensive Risk Management Policy and is in regular compliance of the same. The Company has appropriate and effective risk management systems, which carries out risk identification, assessment and ensures that risk mitigation plans are in place.

39. Review of Subsidiaries and Associates

Pursuant to Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries and associates, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the rules made thereunder, forms part of the Annual Report.

A statement containing the salient features of the financial statements of the Company's subsidiaries is annexed to the Consolidated Financial Statement in the prescribed format of **Form AOC-1**.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with the relevant documents and separate accounts in respect of subsidiaries are available on the website of the Company.

During the year the following material changes occurred relating to subsidiaries:

The shareholders of the Company has already obtained its inprincipal approval for de-subsidizing the Wholly Owned Subsidiaries of the Company namely – Northroof Ventures Private Limited (NVPL) and Marathalli Ventures Private Limited (NVPL).

The Company has entered into Share Purchase Agreement for share of its complete holdings in its wholly owned subsidiary – Northroof Ventures Private limited to the incoming investor subject to receipt of NOC from the Lenders and release of shares mortgaged with the Lenders.

The Company has incorporated one more wholly owned subsidiary of the Company in the name of SATCHMO FOODS PRIVATE LIMITED and has made an investment of Rs. 100,000 towards equity capital by subscribing 10,000 Equity shares of Rs. 10/- each.

In terms of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has adopted a policy for determining material subsidiaries. The Policy may be accessed on the Company's website at the link: https://satchmolholdings.in/policies-other-related-matters/

40. Other disclosures/Reporting

No disclosure or reporting is required in respect of the following items as there was no transaction on these items during the year under review:

- Issue of Equity Shares with or without differential rights as to Dividend, voting or otherwise
- Issue of Shares (including sweat equity shares) to Employees of the Company under any scheme
- None of the Directors including Managing Directors or Whole Time Directors of the Company received any remuneration or commission from any of the Company's subsidiaries
- No frauds has been reported by the Internal Auditors to the Audit Committee

41. Prevention of Insider Trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has made a Code of practices and procedures for fair disclosure of unpublished price sensitive information and prevention of insider trading to prohibit the insider trading, to govern the fair disclosure of unpublished price sensitive information and to attain equality of access to such information with a view to regulate trading in securities by the Directors and designated employees of the Company. All Directors and the designated employees have confirmed compliance with the Code.

The Company has also has complied with the requirement of Structured Digital Database (SDD) pursuant to provisions of Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) the Company has purchased a software for recording of Name, PAN and email id etc. of the person to whom Unpublished Price Sensitive Information is shared for genuine purpose and the Board confirms that the Company has a system driven Structured Digital Database in place to capture all the UPSI.

42. Additional Information to shareholders

All important and pertinent investor information such as financial results, press releases, project updates and other corporate announcements are made available on a regular basis on the website www.satchmoholdings.in of the Company.

43. Acknowledgement:

Your Directors are pleased to place on record their sincere appreciation of the valuable assistance and co-operation extended to the Company by its Customers, Bankers, Financial Institutions, State and Central Government authorities, Service Providers, Contractors and the Shareholders for the Company's operations.

Your Directors also place on record their appreciation on the significant contributions made, and support extended, by the employees of the Company at all levels during the year.

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 30, 2025

Nitesh Shetty
Chairman & Managing Director
DIN: 00304555

Annexure A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2025

[Pursuant to Section 2014(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

SATCHMO HOLDINGS SOUTH LIMITED

Address : No. 110, A Wing, Andrews Building,
Level 1, M.G.Road, Bengaluru – 560001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Satchmo Holdings Limited bearing CIN: L93000KA2004PLC033412 having its registered office at No. 110, A Wing, Andrews Building, Level 1, M G Road, Bangalore, Karnataka, India – 560001, (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 our opinion thereon.

Based on our verification of the Company'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 March 31, 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 the Company for the financial year ended on March 31, 2025, according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder
(iii) The Depositories Act, 1996 and the Regulations and byelaws framed thereunder
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings, if any.
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 and as amended from time to time:
  a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  b. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 including the requirements with regard to the disclosure of information on the Company's website and other disclosure and reporting requirements to the Stock Exchanges during the Financial Year;
  c. The Securities and Exchange Boad of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  d. Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009
  e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

There were no occasions during the financial year requiring specific compliance under the provisions of the following Regulations and Guidelines:

a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
b. The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
c. The Securities and Exchange Board of India (Bankers to Issue) Regulations, 1994
d. The Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008
e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

f. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018
i. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

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

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

We further report that during the audit period the company has no such events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **KEDARNATH & KARTHIK**

Karthik S N
Partner
FCS no.: F12078 | CP no.: 17639
ICSI FRN: P2023KR098600
ICSI PRN: 5307/2023
ICSI UDIN: F012078G000224378

Date: April 30, 2025
Place: Bengaluru

Note: This report is to be read with our letter annexed to the secretarial audit report and forms an integral part of the report

ANNEXURE TO SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025 ISSUED BY COMPANY SECRETARY IN PRACTICE

To,
The Members,
SATCHMO HOLDINGS LIMITED,
Address : No. 110, A Wing, Andrews Building,
Level 1, M.G.Road, Bengaluru – 560001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc. The compliance under the industry specific laws were examined based on the list of applicable laws provided by the company

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

For **KEDARNATH & KARTHIK**

Karthik S N
Partner
FCS no.: F12078 | CP no.: 17639
ICSI FRN: P2023KR098600
ICSI PRN: 5307/2023
ICSI UDIN: F012078G000224378

Date: April 30, 2025
Place: Bengaluru

Annexure-B

DISCLOSURE ON MANAGERIAL REMUNERATION

Details of remuneration as per Section 134 and Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of Board's Report for the year ended March 31, 2024, is provided below:

a. Ratio of remuneration of each director to the median employees' remuneration for FY 2024-25

Name	Designation	Ratio of remuneration to the median employees' remuneration	% increase in remuneration in the financial year
Mr. Nitesh Shetty	Chairman and Managing Director	0	
Mr. L. S. Vaidyanathan	Executive Director	0	
Mr. Ramesh Karur Raghavendran	Executive Director	0	
Mr. Ramesh Karur Raghavendran	Chief Financial Officer	15.41	NA
Mr. S. Ananthanarayanan	Non-Executive-Independent Director	0	
Mr. Kumar Nellore Gopalakrishna	Non-Executive-Independent Director	0	
Ms. Gayathri MN	Non-Executive-Independent Director	0	

The Median remuneration of employees of the Company during the financial year was Rs. 435,626/-

Note: Mr. Nitesh Shetty, Chairman and Managing Director and Mr. L S Vaidyanathan, Executive Director of the Company has not received any remuneration during the year 2024-25 due to non-receipt of "No Objections' from the Secured Creditors of the Company.

b. Percentage increase in the remuneration of each director and key managerial personnel in FY 2024-25:

There has been no increase in any remuneration of any of the Key Managerial Personnel in the year 2024-25.

Further there is no increase in sitting fees for any of the Non-Executive Independent Directors of the Company during the year 2024-25

Further details on remuneration for all the directors is provided in Corporate Governance Report, which forms part of this Annual Report.

c. Percentage increase in the median remuneration of employees in FY 2024-25.

There has been a marginal decrease in the median remuneration of employees in FY 2024-25 as compared to last year.

The marginal decrease in the median remuneration of employees in FY 2024-25 is due to increase in total number of employees of low wages as compared to the previous years.

d. Number of permanent employees on the rolls of the Company - 68 permanent employees as of March 31, 2025.

e. Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration - NA

The Company reiterates that there were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company.

f. Affirmation that the remuneration is as per the remuneration policy of the Company - Yes

g. Statement showing the names of the employee in terms of remuneration drawn pursuant to clause 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 - NIL

For and on behalf of Board of Directors

Nitesh Shetty
Chairman & Managing Director
DIN: 00304555

Date: April 30, 2025
Place: Bengaluru

Annexure C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHNAGE EARNINGS AND EXPENDITURE

I. CONSERVATION OF ENERGY

a. Energy conservation measure taken:

The Company has taken energy savings measures, viz.,

- **Efficient Equipment and Processes:**
  Using energy-efficient equipment like Variable Speed Drives (VSDs) for pumps and optimizing processes to minimize energy consumption. Adopting the Pneumatic system for all operations thereby reduce direct motor drive.
- **Renewable Energy Sources:**
  Adopting renewable energy sources like solar panels, biogas to reduce reliance on fossil fuels in Future after Plant Operations.
- **Waste Heat Recovery:**
  Utilizing waste heat from industrial processes to generate steam for cooking , this will done in Phase 2 for large qty of production.
- **Optimized Transportation:**
  Improving transportation efficiency through optimized routes, fuel-efficient vehicles, and alternative transportation methods.
- **Sustainable Packaging:**
  Encouraging the use of sustainable packaging materials that require less energy to produce and transport and Eco friendly packing items will be used ,
- **Natural Lighting :**
  Use of Natural Light Sun light and Design of Buildings is made to see that the required light are obtained naturally , thereby avoiding the electric lights in day time mostly .
- **Install efficient lighting :**
  LED lights contribute to efficient energy saving and we are adapting it for all lighting in the Plant.
- **Review layout and strategic placement of equipment**
  Every wire or pipe throughout a system will inevitably experience some degree of energy loss, even when equipment runs. Proper design have been planned to minimize these losses by limiting wire runs and using higher voltages.

b. Additional investment and proposal:

The company as a matter of policy has regular program for investments only in energy saving devices. Investments are being done for the procurement of lifts and other project related infrastructures which are more efficient and based on variable drive

c. Impact of measure taken:

The impact and the energy conservation by the system adopted in (a) and (b) above will be known in the long run and will have following benefits:

- **Cost Savings:**
  Reducing energy consumption leads to lower operational costs, improving profitability.
- **Environmental Benefits:**
  Decreasing greenhouse gas emissions and reducing the environmental impact of food production.
- **Increased Sustainability:**
  Enhancing the overall sustainability of the food system by reducing resource consumption and waste

II. TECHNOLOGY ABSORPTION

a. Company works on a mechanized process to reduce cost and increase the efficiency of the operations.

I. Use of laser plummets for accurate measurements and markings.

II. Use of Scaffoldings to ensure all time safety at workplaces.
III. By appointing oversees architects and consultants, technology upgradation has been brought to the projects.
IV. The Sewage Treatment Plant (STP) – latest technology has been adopted, which is more efficient. The recycling of treated water for landscaping, flushing, HVAC, etc. helps in conservation of water.
V. Use of high performance insulated glass curtain walls in some projects will substantially contribute to reduction in power consumption for lighting and cooling.
VII. Harvesting rain water in the form of deep well recharging, collection, treatment and use of terrace storm water etc., is also implemented in projects for optimum use of rain water.
VIII. For our Food Production Unit, we are exploring latest efficient technology and machinery for optimum production with diligent use of power and other resources.

b. Benefits derived as a result of the above efforts:

The benefits can be listed as follows:

i. The functions and efficiency has improved with more transparency in the system.
ii. The designs brought into our projects have been praised by the customer.
iii. Savings in construction cost and time.
iv. The new technology in STP saves space and energy.
v. Lesser project related Customer Complaints
vi. Better quality of end products
vii. Sustainable and environment friendly solutions providing sustainable work and living spaces .

III. RESEARCH AND DEVELOPMENT

a. Specific area in which R & D carried out by the Company:

The Company has been introducing robust quality checking norms for the building materials and workmanship, so that quality product is delivered to the end user. Safety norms of the Company have been rolled out. The quality and safety workshop are conducted regularly at all the project sites, so that the end user is aware of the standards. Endeavour is to introduce similar R&D and processes in our Food Business so as to product healthy packaged food for our customers.

b. Benefits derived as a result of the above R & D

The benefits are in the long run by delivering the quality product to the customer which conforms to latest standards.

c. Future Plan of Action

Continuous improvement in the above field, identifying new technologies in the construction sector, attending the seminars and training the staff, etc.

d. Expenditure on R & D

All expenditures on research and development forms part of the project cost and cannot be quantified separately.

IV. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange inflow and outflow during the year are as follows:

Expenditure in foreign currency (on accrual basis)

Amount in Rupees

Particulars	**Year ended 31.03.2025**	**Year ended 31.03.2024**
Inflow	Nil	Nil
Outflow (Architect & other related fees)	Nil	Nil

For and on behalf of Board of Directors

Nitesh Shetty
Chairman & Managing Director
DIN: 00304555

Date: April 30, 2025
Place: Bengaluru

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Code of Governance

Your Company believes that Corporate Governance is an ethical business process that enables the Company to practice sound governance discipline, which enables the Board to direct and control the affairs of the Company in an effective manner and create value for all its stakeholders.

Corporate governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices, which ensure that a Company meets its obligations with the objective to optimize shareholders value and fulfill its responsibilities to the shareholders, employees, customers, community, government and other societal segments.

Good Corporate governance is a reflection of its core values and principles, practices, policies and relationship with its stakeholders. The Corporate Governance framework of your Company is based on an effective Board with Non-Executive Directors, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. Our Board is active, well-informed and independent, with clearly defined roles and responsibilities. It ensures that it is aligned with the best governance and sustainability practices. The Board also plays a pivotal role in guiding the evolution of culture and values in line with the changing times and the external environment. Your Company's Board has the right balance and breadth of backgrounds, business experience, skills and expertise in areas vital to its success, given the markets served and the stage of development.

The operations of the Company are conducted under the supervision and directions of the Board within the framework set by the Companies Act, 2013 and the Rules made there under ('the Act'), its Articles of Association, SEBI Guidelines, and the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

This report is prepared in order to ensure compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable, with regard to corporate governance.

1. Board of Directors

a. Composition

The Board has an optimum combination of Executive and Independent Directors. The composition of the Board is in conformity with the applicable provisions of the Act and the Listing Regulations.

The Board of Directors of the Company consists of 6 Directors, including the Chairman & Managing Director, 2 Whole Time Director, 1 Non-Executive Independent Woman Director and 2 Independent Directors.

	As on March 31, 2025				
		No. of Directorship in Listed Entities other than this Company	Number of Committees		Listed Entities
Name	**Category**		**Member**	**Chairman**	**Name of the Company**
Mr. Nitesh Shetty	Chairman and Managing Director	0	0	0	-
Mr. L. S. Vaidyanathan	Whole-Time Executive Director	0	0	0	-
Mr. Ramesh Karur Raghavendran	Whole-Time Executive Director	0	0	0	-
Mr. S. Ananthanarayanan	Non-Executive-Independent Director	0	0	0	-
Mr. Kumar Nellore Gopalakrishna	Non-Executive-Independent Director	0	0	0	-
Ms. Gayathri MN	Non-Executive-Independent Director	2	6	2	1. Nivaka Fashions Limited 2. ISF Limited

Mr. Rajeev Khanna resigned from the Board of Directors of the Company and Mr. Ramesh Karur Raghavendran joined the Board during the Financial Year 2024-25.

<u>Appointment or cessation after closure of financial year:</u>

Name and Designation	Nature of changes
Mr. Rajeev Khanna, Whole-Time Executive Director and Chief financial officer DIN: 07143405	**Cessation ;** Date of Cessation; 16-04-2024 *
Mr. Ramesh Karur Raghavendran Whole-Time Executive Director and Chief financial officer DIN: 03572425	**Appointment;** Date of Occurrence of Event; 16-04-2024 * Appointed as an Whole-Time Executive Director and Chief financial officer in the last AGM of the Company held on June 28, 2024

* Above Occurrence of Events have been duly intimated to the Stock Exchanges and Ministry of Corporate affairs.

The composition of the Board during the year is as under:

Name of Directors	Category of Directors	*Inter-se* relationship	No. of Meetings entitled to attend	No. of meetings attended	Attendance at the AGM held during the year
Mr. Nitesh Shetty	Promoter-Executive	NA	6	5	Yes
Mr. L. S. Vaidyanathan	Executive-Non-Independent	NA	6	6	Yes
Mr. Ramesh Karur Raghavendran	Executive-Non-Independent	NA	6	6	Yes
Mr. Ananthanarayanan S	Non-Executive-Independent	NA	6	6	Yes
Mr. Krishna Kumar NG	Non-Executive- Independent	NA	6	6	Yes
Mrs. Gayathri MN	Non-Executive- Independent	NA	6	5	No

b. Board Meetings

The Board met 6 (Six) times on the following dates:

1. 16th April 2024	2. 10th May 2024
3. 02nd August 2024	4. 08th November 2024
5. 15th January 2025	6. 31st January 2025

No gap between two meeting which exceed 120 days.

c. The details of other directorships as on the date of this report are below:

Name of the Directors	No of Listed Entity excluding Satchmo	Name of the Listed Entity and category	Other Directorships in unlisted Public Companies	Chairman / Member held in the Committees of other Companies excluding Satchmo*
Mr. Nitesh Shetty	-	NA	-	-
Mr. L. S. Vaidyanathan	-	NA	-	-
Mr. Ramesh Karur Raghavendran	-	NA	-	-
Mr.Ananthanarayanan S	-	NA	-	-
Mr. Krishna Kumar NG	-	NA	-	-
Mrs. Gayathri MN	2	1. Nivaka Fashions Limited 2. ISF Limited	-	Chairmanship at 2 Committees

				Membership at 6 Committees *[Complete details tabled below] #*

# Name of the Company	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Any other Committee
NIVAKA FASHIONS LIMITED	-	Member and Chairman	-	-
ISF LIMITED	Member	Member and Chairman	Member	-

** Alternate Directorships, if any and Directorships in Private Limited Companies, Foreign Companies, Associations and Government Bodies are excluded.*

d. Skills / Expertise / Competencies of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors:

I	Construction and Real Estate Law/Development	Mr. Nitesh Shetty, Mr. L.S. Vaidyanathan, Mr. Krishna Kumar NG
Ii	Legal and land acquisition, Administration	Mr. L. S. Vaidyanathan, Mr. Krishna Kumar NG
Iii	Banking and Finance	Mr. S. Ananthanarayanan and Mr. L. S. Vaidyanathana, Mr. Krishna Kumar NG
Iv	Strategic business advisory, Financial planning,	Mr. S. Ananthanarayanan and Mr. L. S. Vaidyanathan, Mr. Krishna Kumar NG, Mrs. Gayathri MN & Mr Ramesh Karur Raghavendran

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI Regulations and are independent of the Management.

e. Shares held by Non-Executive Directors:

Name of the Directors	No. of Shares held
Mr. Ananthanarayanan S	Nil
Mr. Krishna Kumar NG	Nil
Mrs. Gayathri MN	Nil

f. Code of Conduct

The Company had adopted the Code of Conduct for all the employees including Senior Management and the Directors. The Code of Conduct has been posted on the Company's website and is also uploaded on the Website of the Company at:
https://satchmoholdings.in/policies-other-related-matters/

Further, pursuant to the Regulation 26(3) of the Listing Regulations, all the Board members and Senior Management Personnel have affirmed their compliance with the Code of Conduct. A declaration to this effect signed by the Chairman & Managing Director forms part of this Report.

g. Familiarization Programme for Independent Directors:

At the time of appointing a Director, a formal letter of appointment is given to the Board Members, which inter alia explains the role, function, duties and responsibilities expected from them as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other relevant regulations. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The terms and conditions of Independent Directors are posted on the Company's website and is also uploaded on the Website of the Company at: https://satchmoholdings.in/policies-other-related-matters/

2. Audit Committee

In compliance with the Section 177 of the Act and Regulation 18 of the Listing Regulations, the Board has duly constituted the Audit Committee and has been reconstituted from time to time.

The Audit Committee is responsible for overseeing the Company's financial reporting process, reviewing the quarterly/half-yearly/annual financial statements, reviewing with the Management on the financial statements and adequacy of internal audit function, Internal Financial Control systems, recommending the appointment/ reappointment of statutory auditors and fixation of audit fees, reviewing the significant internal audit findings/related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

a. Powers & Roles of the Audit Committee:

The Powers of the Audit Committee has been based on the terms of reference made by the Board from time to time and as applicable under the Listing Regulations and as prescribed by the SEBI. Some of the powers enumerated below apart from the other prescribed under the Listing Regulations and the Companies Act, 2013:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Powers

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment by management
    d. Significant adjustments made in the financial statements arising out of audit finding
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions
    g. Qualifications in the draft Audit Report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

b. Composition and Attendance of the Meetings:

Name of the Members	Position	No. of Meetings entitled to attend	No. of meetings attended
Mr. S. Ananthanarayanan Independent Director	Chairperson	4	4
Mr. L. S. Vaidyanathan Executive Director	Member	4	4
Mr. Krishna Kumar NG Independent Director	Member	4	4

c. Audit Committee Meetings:

The Audit Committee met 4 (Four) times during the year on following dates:

1. May 10 , 2024	2. August 02, 2024
3. November 08, 2024	4. January 31 , 2025

3. The Nomination and Remuneration Committee

In compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013, the Board has constituted the "Nomination and Remuneration Committee"

a. The terms of reference of the Nomination and Remuneration Committee are as follows:

The role of the committee shall, inter-alia, include the following:

1. To formulate 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. To determine the remuneration packages for Executive Directors including pension rights and any compensation payments. To determine the remuneration to Executive Directors as required under the Companies Act, 2013 and the Rules made there under.
2. To formulate criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. The Nomination and Remuneration Committee shall also function as Compensation Committee to look after the Compensation & Benefits of employees. The same committee shall also consider the benefit and administration of the ESOP or any other similar scheme under the Securities Exchange Board of India Guidelines as and when the same is considered by the Board.

6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

b. Composition and Attendance of the Meetings:

Name	Position	No. of Meetings entitled to attend	No. of meetings attended
Mr. S. Ananthanarayanan Independent Director	Chairperson	3	3
Mr. Krishna Kumar NG Independent Director	Member	3	3
Mrs. Gayathri MN Independent Director	Member	3	3

c. The Nomination & Remuneration Committee Meetings:

The Nomination & Remuneration Committee met 3 (Three) time during the year on following date:

1.	April 16 , 2024
2.	November 08, 2024

d. Performance evaluation criteria for Independent Directors

The Nomination & Remuneration Committee has laid down the Performance Evaluation criteria of Independent Directors in terms of Regulation 19 read with Part D of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

e. Remuneration Policy:

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive /Non-Executive Directors. The remuneration is governed by the external competitive environment and industry standards. The remuneration paid to the Managing Director and Executive Directors are subject to the approval of the Board of Directors, the Members and the Financial Institutions including Banks where the loans are subsisting.

Non-Executive Directors are remunerated only by way of sitting fees for the meetings of the Board and the Committees thereof, attended by them.

There are no other pecuniary relationships or transactions of the non-executive Directors vis-à-vis with the Company.

Remuneration paid to the Directors during the financial year 2024-25:

(In Rs)

Names of the Directors	Salary	Sitting Fees	Commission	Bonus	Share based payment
Mr. Nitesh Shetty* Chairman and Managing Director	-	-	-	-	-
Mr. L.S. Vaidyanathan* Whole-time Executive-Non-Independent	-	-	-	-	-
Mr. Ramesh Karur Raghavendran Whole-time Executive-Non-Independent	-	-	-	-	-
Mr. S. Ananthanarayanan Independent Director	-	2,00,000	-	-	-

Mr. Krishna Kumar NG Independent Director	-	2,00,000	-	-	-
Mrs. Gayathri MN Independent Director	-	2,00,000	-	-	-

Note:
*Mr. Nitesh Shetty, Chairman and Managing Director and Mr. L S Vaidyanathan, Executive Director of the Company have not received any remuneration during the year 2024-25 due to non-receipt of "No Objections' from the Secured Creditors of the Company.

**Mr. Ramesh Karur Raghavendran, Whole-time Executive Director has also not received any remuneration during the year 2024-25 in the capacity of his Directorship.

Meeting of the Independent Directors

Pursuant to the provisions of the Act read with the Rules made thereunder and the Listing Regulations, the Independent Directors of the Company have met two time on January 31, 2025 and March 21, 2025 during the current financial year.

4. Stakeholders' Relationship Committee:

In compliance with the provisions of the Act and the Listing Regulations, the Board has constituted the "Stakeholders' Relationship Committee".

The Stakeholders' Relationship Committee has been formed for the effective redressal of the investors' complaints, reviewing the activities of the share transfer committee and reporting of the same to the Board periodically.

a. Composition and Attendance of the Meetings

Name	Position	Meetings held during the year	Attendance
Mr. S. Ananthanarayanan	Chairperson	1	1
Mr. Nitesh Shetty	Member	1	1
Mr. L. S. Vaidyanathan	Member	1	1
Mr. Krishna Kumar N. G.	Member	1	1

The Stakeholders' Relationship Committee met once in year on January 31, 2025 during the year.

b. Details of complaints received and resolved during the year are as under:

During the year No queries/complaints were received from the Shareholders.

Details of Compliance Officer - Mr. Prasant Kumar is the Company Secretary & Chief Compliance Officer of the Company.
Email : cs@satchmoholdings.in

c. Risk Management Committee : Not Applicable

5. General Meetings

a. Date, time and location of the last three Annual General Meetings:

Year	Date	Time	Location
2024	June 28 , 2024	9. 00 AM	Through Video Conferencing/Other Audio Visual Means
2023	June 30 , 2023	9. 00 AM	Through Video Conferencing/Other Audio Visual Means
2022	June 30, 2022	9. 00 AM	Through Video Conferencing/Other Audio Visual Means

b. Details of Special resolutions passed during previous three Annual General Meetings held in the year 2021, 2022 and 2023 are as under:

Year	Date	Time	Special Resolutions
2024	June 28 , 2024	9. 00 AM	1. To appoint Mr. Ramesh Karur Raghavendran (DIN: 03572425), as Whole-time Executive Director and Chief Financial Officer, designated as Executive Director – Finance and CFO of the Company
2023	June 30 , 2023	9. 00 AM	1. To re-appoint and approve the remuneration payable to Mr. L. S. Vaidyanathan (DIN: 00304652), as Whole-time Director designated as Executive Director – Business Development of the Company 2. To approve making Investments, giving Loans, giving guarantees and providing Securities under Section 186 of the companies Act, 2013 and rules made thereunder. 3. Approval under section 185 of the companies Act, 2013 and rules made thereunder
2022	June 30, 2022	9. 00 AM	1. To re-appoint and approve the remuneration payable to Mr. L. S. Vaidyanathan (DIN: 00304652), as Whole-time Director designated as Executive Director – Business Development of the Company

6. **Extraordinary General Meeting (EGM):** The Company has not conducted any Extraordinary General Meeting during the period under review.

7. Postal Ballot conducted during the financial year 2024-25:

During the year 2024-25, two Postal Ballots were conducted by the Company.

Date	Special Resolutions	Result
November 08, 2024	1. To approve the re-appointment and the remuneration payable to Mr. Nitesh Shetty (DIN: 00304555), as Managing Director designated as Chairman and Managing Director of the Company.	Approved by the shareholders with requisite majority

8. Means of Communication

a. The quarterly unaudited results and Audited Annual Financial Results, in the SEBI prescribed format are normally published in the following Newspapers within 48 hours of the approval by the Board and also been submitted to the Stock Exchanges:
   i. Financial Express (English Daily); and
   ii. Hosa Digantha (Kannada Daily)
b. The financial results are also available on the Company's website at www.satchmoholdings.in
c. The news releases, if any are posted on the Company's website and submitted to the Exchanges.
d. There were no presentations made to Institutional investors/ Analysts during the year.

9. General Shareholder Information

a. Annual General Meeting

Date	June 27, 2025
Time	9.00 A.M.
Venue	NA (Through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility)

b. Financial Calendar ((tentative)

Financial Year	:	1st day of April to 31st day of March of succeeding year
First Quarter Results	:	In August, 2025
Half Yearly Results	:	In November, 2025
Third Quarter Results	:	In February, 2026
Results for the year ended 31st March	:	In April or May, 2026

10. Senior Management Personnel

As on the date of this Report, the particulars of SMP are as follows:

Name	Designation
Ramesh Karur Raghavendran	Director – Finance & Chief Financial Officer
Prasant Kumar	Company Secretary & Chief Compliance Officer
Pradeep Narayan	Executive Vice President – Operations
Jaganathan S	Senior General Manager- Legal
Sanjay Vadapalli	Vice President – Human Resources
Sunitha George	Vice President - CRM

11. Details of Material Subsidiaries

Name of Subsidiaries	Date and Place of incorporation	Name of Statutory Auditors	Date of Appointment
Northroof Ventures Private Limited	04/12/2007 Bangalore	M/s KAMG & Associates, Chartered Accountants (Firm Registration No. 311027E)	Appointed on 27th June 2024 for the period of 5 years
Marathalli Ventures Private Limited	04/12/2007 Bangalore	M/s KAMG & Associates, Chartered Accountants (Firm Registration No. 311027E)	Appointed on 27th June 2024 for the period of 5 years
Satchmo Foods Private Limited	28/01/2025 Bangalore	M/s KAMG & Associates, Chartered Accountants (Firm Registration No. 311027E)	Appointed on 29th January 2025 as First Auditor till the conclusion of the first AGM

12. Listing Information

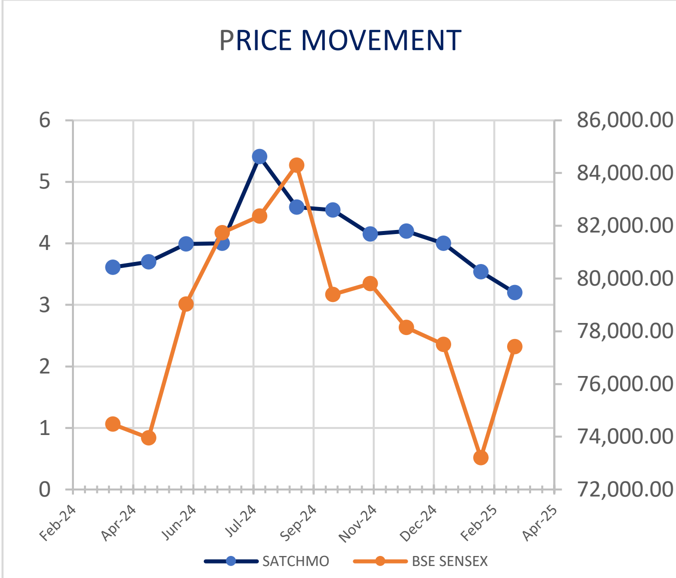
The Company's shares are currently listed on BSE Limited.

Name of the Stock Exchanges	Stock Code
BSE Limited Floor 25, P J Towers, Dalal Street Mumbai 400 001	533202
ISIN	INE639K01016

13. Stock Data

a. Monthly High & Low prices at BSE during the Financial Year 2024-25

Month	BSE	
	High	Low
Apr-24	3.65	2.82
May-24	4.18	3.23
Jun-24	4.16	3.56
Jul-24	4.25	3.55
Aug-24	6.99	3.25
Sep-24	5.65	4.44
Oct-24	4.76	4.01
Nov-24	5.36	3.96
Dec-24	4.55	3.83
Jan-25	4.69	3.5
Feb-25	4.17	2.98
Mar-25	3.97	3.05



During the financial year ended 31st March, 2025, securities (equity shares) of the Company have not been suspended from trading on stock exchange (BSE) where they are listed.

b. Distribution of shareholding as on March 31, 2025

Category (Shares)	No. of Shareholders	% of Shareholders	Total Shares	% Holdings
1-5000	13,424	63.395514	21,02,751	1.441899
5001- 10000	2,791	13.180638	24,56,024	1.684145
10001- 20000	1,877	8.864227	30,13,124	2.066160
20001- 30000	736	3.475797	19,53,418	1.339498
30001- 40000	380	1.794569	13,80,874	0.946893
40001- 50000	476	2.247934	22,93,973	1.573023
50001- 100000	678	3.201889	53,44,516	3.664842
100001 & Above	813	3.839433	12,72,87,420	87.283540
TOTAL:	**21,175**	**100.00**	**14,58,32,100**	**100.00**

c. Shareholding pattern as on March 31, 2025

Sl. No	Description	Shareholders	Shares	% Equity
1	PROMOTER INDIVIDUAL - (Nitesh Shetty)	1	65273350	44.76
2	BANKS	1	4048241	2.78
3	QUALIFIED INSTITUTIONAL BUYER	1	6208422	4.26
4	NBFC	1	262500	0.18
5	I E P F	1	70771	0.05
6	DIRECTORS	1	1	0.00

7	DIRECTORS	2	139600	0.10
8	EMPLOYEES	18	17227	0.01
9	RESIDENT INDIVIDUALS	19945	57998306	39.77
10	NON RESIDENT INDIAN NON REPATRIABLE	76	867958	0.60
11	NON RESIDENT INDIANS	88	713424	0.49
12	BODIES CORPORATES	107	7271193	4.99
13	H U F	462	2958097	2.03
14	TRUSTS	1	10	0.00
15	CLEARING MEMBERS	1	3000	0.00
	Total:	**20706**	**145832100**	**100.00**

d. Shares held in physical and dematerialized form as on March 31, 2025

Category	No. of Holders	Total Shares	% to Equity
Physical	4	1,003	0.000688
NSDL	8,863	11,71,20,443	80.311840
CDSL	12,308	2,87,10,654	19.687472
Total	**21,175**	**14,58,32,100**	**100.00**

e. Market and financial performance related information

Particulars	March 31, 2025	March 31, 2024	% Change
Market Capitalization (Rs Lakhs)	**4447.88**	**4214.54**	**+233.34**
P / E Ratio	**2.88**	**12.04**	

As on 31-03-3025 : price at BSE was 3.05, average price is Rs. 4.0775 & No. of Shares traded was 2,68,84,836

f. Share Transfer

The Company has appointed KFin Technologies Limited, as Registrars and Share Transfer Agents (SEBI Registration No. INR000000221). The real time transfer will take place in case of dematerialised shares and no transfer will take place in case of physical shares.

g. Registrar and Transfer Agents:

KFin Technologies Limited
Selenium Tower B, Plot No 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad – 500 032
Toll Free no.: 1800-309-4001
Email: einward.ris@kfintech.com
Website: https://www.kfintech.com

h. Compliance Officer details:

Mr. Prasant Kumar
Company Secretary & Chief Compliance Officer
110, Andrews Building, Level 1, A Wing, M G Road, Bengaluru-560 001
Tel: +91 80 4017 4000
Email: investor@satchmoholdings.in , cs@satchmoholdings.in

14. Disclosures

a. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company

Pursuant to Regulation 23 of the Listing Regulations, the Board of Directors has formulated a Policy on Related Party Transactions which can be accessed from the website of the Company at : https://satchmoholdings.in/policies-other-related-matters/

The Company has not entered into any contract/ arrangement/ transaction with a related party which can be considered as material in terms of the policy adopted by the Company, Section 188 of the Companies Act, 2013 and the Listing Regulations on the Related Party transactions as such transactions were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and do not attract the provisions of Section 188 of the Companies Act, 2013.

The Related Party Transactions under IND-AS 24 undertaken during the financial year 2024-25 are detailed in the Notes to Accounts section of the Annual Financial Statements.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.

The Company has a policy for determining 'Material Subsidiary' which is disclosed on the Company's website at : https://satchmoholdings.in/policies-other-related-matters/

b. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as regulations and guidelines of the SEBI and other Statutory Authorities on all matters relating to the capital markets.

The Company has paid the following fines/penalty during the last three financial years: **NIL**

<table>
<tr><th rowspan="2">Applicable Regulation of SEBI (LODR) Regulations, 2015</th><th rowspan="2">Fine prescribed</th><th rowspan="2">Fines levied for</th><th colspan="3">Fine payable by the company (inclusive of GST @ 18 %)</th></tr>
<tr><th>Basic Fine</th><th>GST @ 18 %</th><th>Total Fine payable</th></tr>
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c. Whistle Blower Policy and Vigil Mechanism

The Company has a vigil mechanism policy for its Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct/business ethics that provides for adequate safeguards against victimization of the Director(s) and employee(s) who avail of the mechanism.

None of the Directors/employees of the Company have been denied access to the Chairman of the Audit Committee and no complaints have been received during the financial year 2024-25.

The Company has a "Whistle Blower Policy" which is disclosed on the Company's website at: https://satchmoholdings.in/policies-other-related-matters/

d. Discretionary Requirements under Regulation 27 (1) of the Listing Regulations

The Company has adopted not to adhere the discretionary requirements as provided under Schedule II Part E as per the Regulation 27 (1) of the Listing Regulations.

e. Total fees for all services paid by the listed entity and its subsidiaries to the Statutory Auditors:

During the year the Company has paid Rs. 17.02 Lakhs as total audit fees for all the services to its Company and the Subsidiary Companies and all other entities in the network, on a consolidated basis to M/s. KAMG & Associates, Chartered Accountants.

Particulars (for Satchmo Holding Limited)	**2024-25 (in Lakhs)**
Statutory Audit Fees	9.60
For Taxation Matter	-
For Management Services	3.72
Reimbursement of Expenses	-
Total payments during FY 2024-25	**13.32**

f. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace.

g. Compliance Certificates

a. A Confirmation certificate signed by the Managing Director stating that the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management forms part of this Annual Report.

b. A Certificate from Kedarnath & Karthik, Practicing Company Secretary, Bengaluru confirming the compliance with the conditions of Corporate Governance under Regulation 27 read with Schedule V of the Listing Regulations forms part of this Annual Report.

c. A Certificate from Kedarnath & Karthik, Practicing Company Secretary in pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the LODR:

Regulation	Requirements	Compliance
17(1)	Board composition	Yes
17(2)	Meeting of the Board of Directors	Yes
17(3)	Review of Compliance Reports	Yes
17(4)	Plans for orderly succession for appointments	NA
17(5)	Code of Conduct	Yes
17(6)	Fees/compensation	Yes
17(7)	Minimum Information	Yes
17(8)	Compliance Certificate	Yes
17(9)	Risk Assessment & Management	Yes
17(10)	Performance Evaluation of Independent Directors	Yes
18(1)	Composition of the Audit Committee	Yes
18(2)	Meeting of the Audit Committee	Yes
19(1) & (2)	Composition of the Nomination & Remuneration Committee	Yes
20(1) & (2)	Composition of the Stakeholder Relationship Committee	Yes
21(1),(2),(3),(4)	Composition and role of Risk Management Committee	NA
22	Vigil Mechanism	Yes
23(1),(5),(6),(7) & (8)	Policy for Related Party Transaction	Yes
23(2), (3)	Prior or Omnibus approval of Audit Committee for all Related Party Transactions	Yes
23(4)	Approval for Material Related Party Transactions	NA
24(1)	Composition of Board of Directors of unlisted material Subsidiary	Yes
24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25(1) & (2)	Maximum Directorship & Tenure	Yes
25(3) & (4)	Meeting of Independent Directors	Yes
25(7)	Familiarization of Independent Directors	Yes
26(1)	Memberships in Committees	Yes
26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	Yes
26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
26(2) & 26(5)	Policy with respect to Obligations of Directors and Senior Management	Yes

Compliance as per Regulation 46(2) (b) to (i)	
Terms and conditions of appointment of Independent Directors	Yes
Composition of various committees of Board of Directors	Yes
Code of conduct of Board of Directors and Senior Management Personnel	Yes
Details of establishment of Vigil Mechanism/ Whistle Blower policy	Yes
Criteria of making payments to Non-Executive Directors	NA
Policy on dealing with Related Party Transactions	Yes
Policy for determining 'Material' Subsidiaries	Yes
Details of familiarization programs imparted to Independent Directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance Redressal and other relevant details	Yes
Financial Results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	NA
New name and the old name of the Company	Yes

Nitesh Shetty

Date: April 30, 2025
Place: Bengaluru

Chairman & Managing Director
DIN: 00304555

CONFIRMATION OF CODE OF CONDUCT

This is to confirm that the Company has adopted a code of conduct for its Board of Directors and the Senior Management Personnel and the same is made available on the Company's website.

I hereby confirm that the Company has received the declarations for the financial year ended March 31, 2025 in confirmation of the compliance with the Code of Conduct by the members of the Board of Directors and the Senior Management Personnel of the Company as required under the provisions of Regulation 34 read with Schedule of V of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Date: April 30, 2025
Place: Bengaluru

Nitesh Shetty
Chairman & Managing Director
DIN: 00304555

CEO/CFO CERTIFICATION PURSUANT TO REGULATION 17 (8) READ WITH SCHEDULE II OF THE SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Board of Directors
Satchmo Holdings Limited
Bengaluru 560 001

Dear Sirs,

We, Nitesh Shetty, Chairman and Managing Director and Ramesh Karur Raghavendran, Executive Director Finance and Chief Financial Officer of the Company certify to the Board that:

a. We have reviewed financial statements and the Cash Flow statement for the year ended March 31, 2025 and that to the best of our knowledge and belief :

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

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee

   i. Significant changes in internal control over financial reporting during the year;

   ii. Significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. There is no instances of significant fraud of which we have 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.

Nitesh Shetty	**Ramesh Karur Raghavendran**
Chairman & Managing Director	**Executive Director Finance and Chief Financial Officer**

Place: Bengaluru
Date: April 30, 2025

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Shareholders of
Satchmo Holdings Limited
Address : No. 110, A Wing, Andrews Building,
Level 1, M.G.Road, Bengaluru – 560001
(CIN: L93000KA2004PLC033412)

We have examined the compliance of conditions of Corporate Governance by the Satchmo Holdings Limited ("the Company") bearing Corporate Identification Number L93000KA2004PLC033412 for the year ended March 31, 2025 as stipulated under regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Securities Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) (“LODR”) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

ln our opinion and to the best of my information and according to the explanation given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015.

We further state that none of the directors on the Company have been debarred or disqualified from being appointed or continuing as director of the Company as per the requirement of by SEBl/Ministry of Corporate Affairs or any such statutory authority.

We hereby state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **KEDARNATH & KARTHIK**

Karthik S N
Partner
FCS no.: F12078 | CP no.: 17639
ICSI FRN: P2023KR098600
ICSI PRN: 5307/2023
ICSI UDIN: F012078G000224367

Date: April 30, 2025
Place: Bengaluru

CERTIFICATE REGARDING DISCLOSURES PERTAINING TO DISQUALIFICATION OF DIRECTORS PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (AMENDMENT) REGULATIONS, 2018 - SCHEDULE V(C)(10)(i)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Satchmo Holdings Limited ("the Company") bearing Corporate Identification Number L93000KA2004PLC033412 and having Registered Office/ Head Office at No. 110, A Wing, Andrews Building, Level 1, M G Road, Bangalore, Karnataka, India – 560001, produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN)] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority.

Sl. No.	Name	Designation	DIN	Date of Appointment
1.	Mr. Nitesh Shetty	Executive Director, Managing Director and Chairperson	00304555	February 20, 2004
2.	Mr. Lalgudi Saptharishi Vaidyanathan	Executive Director	00304652	June 30, 2005
3.	Mr. Ramesh Karur Raghavendran	Executive Director and CFO	03572425	April 16, 2024
4.	Mr. Subramanian Ananthanarayanan	Non-Executive, Independent Director	07621318	February 26, 2019
5.	Mr. Kumar Nellore Gopalakrishna	Non-Executive, Independent Director	07197031	November 09, 2020
6.	Ms. Gayathri Muttur Nagaraj	Non-Executive, Independent Director	06742638	January 08, 2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **KEDARNATH & KARTHIK**

Karthik S N
Partner
FCS no.: F12078 | CP no.: 17639
ICSI FRN: P2023KR098600
ICSI PRN: 5307/2023
ICSI UDIN: F012078G000224345

Date: April 30, 2025
Place: Bengaluru

FY2024-25: Management Discussion and Analysis

Economic Environment

India's economic performance in the fiscal year 2024-25 (FY25) reflects a period of moderated growth influenced by both domestic and global factors.

GDP Growth: The National Statistical Office (NSO) projects India's real GDP to grow by **6.4%** in FY 2024-25, a deceleration from the **8.2%** growth observed in the previous fiscal year. This slowdown is attributed to weakened manufacturing output and subdued corporate investments

Sectoral Performance:

Industry: Expected to expand by **6.2%**, driven by robust activities in construction and utilities. ▯ **Services**: Continues to be a significant contributor to GDP, with services exports growing by **12.8%** during April–November for FY204-25, up from **5.7%** in the previous fiscal year.

Inflation and Monetary Policy: Retail inflation softened to **4.9%** during April-December 2024, remaining within the target band of 4±2%. The Reserve Bank of India (RBI) projects inflation at **4.6%** in Q1 and **4.0%** in Q2 of FY2025-26. In response to easing inflation, the RBI implemented a **25 basis point** rate cut in April 2025, with an additional reduction anticipated in August, aiming to stimulate economic activity.

Outlook: Looking ahead, India's GDP is expected to grow between **6.3% and 6.8%** in FY202526, contingent upon a continued rural recovery, softer inflation, and the resolution of geopolitical and trade uncertainties

The Company

Company Overview and Market Positioning

SATCHMO Holdings Limited ("SATCHMO" or "Company") is an investment and Holding Company in the sectors of Facilities management, Catering, Restaurants, Food and Equity Trading. The Company has a very strong brand equity, business processes and partnerships to attain the next stage of growth.

SATCHMO has a comprehensive corporate governance framework with an eminent Board and strong management team with significant experience across industries. In line with best in class corporate governance practices, the Company has a required proportion of Independent Directors.

Operational Performance

The Company is currently focussing on its Balance Sheet and exiting from various stressed assets and working to become zero debt in the parent company as well as its subsidiaries. The Company has exited four projects in previous years and the efforts are on-going for exiting remaining stressed real estate projects which will aim to also addressing debt challenges and settling banks by the end of first quarter of the current year FY 2025-26 so as to become debt-free. At the same time, focus is also to complete balance two ongoing projects by finishing the pending works and handing over the remaining apartments to the customers.

Consolidated Financial Performance in IND-AS (Figures)

Satchmo at consolidated level including the two subsidiaries generated revenue of Rs. 1,527 lakhs (including other income), compared with FY 2023-24 revenue of Rs 13,348 lakhs (including other income). The Earnings before interest, tax, depreciation and amortization (EBITDA) was Rs. 1,849 lakhs as compared to Rs 1,581 lakhs in the previous year. The Profit / (Loss) after taxes during the year was Rs. 1,838 lakhs.

Consolidated Revenue Breakup: - IND-AS (Figures)

(Rs. in Lakhs)

	FY2025	% share	FY2024	% share
Property Development	1,107	93.65%	3,199	72.69%
Contractual Activities / Other Operating Income	-	-	-	-
Income from Sale of Projects	-	-	984	22.36%
Maintenance Income	74	6.26%	171	3.89%
Income from Sale of Shares	1	0.09%	47	1.06%
Misc. - Other Income	-	-	-	-
Total	**1,182**		**4,401**	

Consolidated Financial Condition IND- AS (Figures)

(Rs. in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Sources of funds		
a. Shareholders' funds	(105,607)	(107,474)
b. Minority Interest	-	-
c. Loan funds	13,385	13,386
Total	**(92,222)**	**(94,088)**
Application of funds		
a. Fixed assets (net)	10,570	10,391
b. Investments		
c. Net current assets	(102,792)	(104,479)
d. Deferred tax/ miscellaneous expense, among others	-	-
Total	**(92,222)**	**(94,088)**

Particulars	12 months ended March 31, 2025	12 months ended March 31, 2024
Profit before tax	1,838	1,468
Add: Adjustments	(140)	(4,779)
Add: Net working capital	1,353	6,535
Less: Income Tax paid	14	129
Net cash flow from operating activities	359	3,353
Net cash flow from investing activities	(2)	(25)
Cash flow from financing activities	(1)	(3,550)
Net cash inflow / (outflow)	**356**	**(222)**

Liquidity

As of 31 March 2025, the Company had cash and cash equivalents of Rs. 366 Lakhs. On a standalone basis, the Company had a total debt of Rs. 8,507 Lakhs and the Net worth was at (Rs. 94,673 Lakhs) as at 31 March 2025. The Company is closely monitoring the debt levels and has put in place plans to close all the debts in the current financial year 2025-26.

Business Strategy

New Businesses

SATCHMO has been focusing on new businesses in line, primarily with the industrial catering division with the amended objects, and is working towards turnaround of its financial position.

SATCHMO has already commenced business of trading in equities in last year of the previous year and have reported small income on equity trading. During the current year trading in equities continued two quarters of the financial year, however the market conditions were volatile hence there were reduced activities on a cautious basis.

Further, the Company in continuation of its aim from the previous year will focus into other businesses like facilities management, catering and restaurants in line with its amended objects. Significant improvements, viz., identifying of the factory lease premises and placing of orders for machineries have already been done in this aspect and its hopeful that this new business will be kick-started shortly and will start bringing revenue from the second quarter of the current financial year 2025-26.

Company is hopeful of value generation in these new areas of business and working towards substantial improvement in its financial position.

Exploring new opportunities

.

<u>Facility Management:</u> The Company sees good potential in Facility Management services where there is need for quality professional players to provide integrated management solutions including security, housekeeping, MEP maintenance, landscaping and external development management, capex improvement, etc. It is a competitive but growing sector wherein there is great demand in several residential and commercial spaces. While the margins are modest, increased scale would provide economies in terms of cost efficiency and improved margin apart from helping the top line. This would help in related diversification by utilizing existing resources and capacities.

<u>Food and catering:</u>

The food and catering industry in India continues to demonstrate robust growth, driven by increasing urbanization, evolving consumer lifestyles, and a rising demand for convenient and quality dining solutions. The sector is witnessing strong momentum across both institutional and retail segments, with corporates, educational institutions, hospitals, and events being key contributors to demand.

Our company's focus is to maintain a strong focus on operational efficiency, hygiene standards, and menu innovation to align with customer preferences. We will aim to invest in modern kitchen infrastructure, technology-driven processes, and staff training to ensure consistency and scalability across service locations.

The industry also experienced increased demand for specialized dietary offerings and sustainable packaging solutions, which we have proactively integrated into our services. Our catering vertical will focus on increased traction with the revival of social gatherings, weddings, and MICE (Meetings, Incentives, Conferences, and Exhibitions) events, especially in urban centers in future apart from Industrial catering.

Also there will be challenges such as fluctuating commodity prices, manpower retention, and regulatory compliances which may impact margins. However, through strategic sourcing, digital integration, and cost optimization initiatives, we have planned to mitigated these risks to a large extent.

Our focus will remain on enhancing customer satisfaction, maintaining food safety standards, and leveraging technology for end-to-end service excellence.

Continuous urban population growth and increased employment rates have caused consumers to live a hectic lifestyle. Due to the lack of time available for culinary and meal preparation, processed foods such as ready-to-eat products and snacks have gained popularity in urban areas.

India has one of the world's largest working populations. With rising discretionary incomes, this demographic can be considered the largest consumer of processed foods. This population is further anticipated to increase steadily over the next five years.

Necessary recruitment of senior staff who have adequate expertise in this field have already been completed and all strategies to kick-start the business have reached quite considerable level including leasing out factory premises and placement of Purchase Orders for important machineries. Necessary infrastructure for the same will be completed in the first quarter of the current year so that by the end of the current financial year the Company starts generating revenue from this line of business.

<u>Managing and promoting talent</u>

SATCHMO's culture is focused on customer-centricity, collaborative teamwork, result orientation, entrepreneurial mind set and developing people. One of the key growth strategies at SATCHMO is to manage and promote talent by providing growth opportunities, rewards, respect, learning and fun. The Company's employees are both an important stakeholder group and key players in its business. With their skills and achievements, the Company is driving a culture of innovation and sustained growth for SATCHMO.

Opportunities and Threats

Demand for Catering has increased with rapid rise in urbanization. Millions of people migrate to cities every year, not only driving demand for homes but also giving rise to avenues in Food Chain supply. The disposable income has been steadily increasing and there is increased demand for multiple restaurants. Going forward, with the e-commerce market in India making itself look attractive, can pose a good opportunities in area of timely execution of orders from customers.

The key threats to businesses of catering arises from change in customer preference for newer places.

- Sales market risks – Economic and market conditions might influence customers to defer or cancel preference for outside food
- increase in cost of raw materials
- regulatory and policy changes results in higher costs .

Risk management

The Company has an established enterprise risk management framework to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks. The ability to anticipate risks and respond effectively is critical for achieving the Company's objectives and provides value to stakeholders. The risk management process also addresses long term strategic and operational planning, talent acquisition and retention, treasury management, financial reporting and controls, information technology and security, environment health and safety compliance, legal, taxation, communication, regulatory compliance and code of conduct for employees. The Company believes that risk is an integral part of every business and promotes a culture of building ability to anticipate and manage the risks effectively and converting them into opportunities. Risk assessment is conducted by the risk management committee and the program is reviewed periodically by the Audit Committee.

There are several areas of risk related with:

- the macroeconomic environment
- the information technology systems and disaster recovery
- Liquidity risks
- the availability of finance and the cost of financing
- the human resources – their availability, costs and compliance with the code of ethics of the Company
- the vendors and business partners
- the assets of the Company
- Competitors and Customer risks

Internal Control Systems

SATCHMO has an elaborate internal control system which monitors compliance to internal processes. It ensures that all transactions are authorized, recorded and reported correctly. Well established and robust internal audit processes, both at business and corporate levels, continuously monitor the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements. In the networked IT environment of the Company, validation of IT security continues to receive focused attention of the internal audit. The Internal Audit team of the Company independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting to the Audit Committee of the Board.

The Company strives to continuously strengthen the internal control systems by adopting standard operating procedures and by delegating roles and responsibilities to various Department heads for effective implementation of the same. This is to ensure that the Company conducts its business with highest standards of statutory, legal and regulatory compliance.

Outlook

The key focus for us in the following year would be:

- Design and Innovation: The Company has always focused on building a strong brand recall and differentiating itself from the competitors by continuous investments in new design and innovation.
- Quality: Delivery highest quality to the customers to their utmost satisfaction.

- Cash-flow Management – Tight control on accounts receivables and accounts payables with the objective of reducing the interest burden.
- Customer Relationship – Enhance customer experience at each of their touch points starting with at the stage at which we interact with them to assist in selection of a home till the time it is handed over.

Human Resources Development

- Human Resources (HR) play a pivotal role in driving the company's growth and sustaining operational excellence. During the financial year, the company continued to invest in human capital development through structured training programs, skill enhancement initiatives, and employee engagement activities aimed at fostering a culture of performance, collaboration, and innovation.
- We placed strong emphasis on talent acquisition, retention, and succession planning to ensure the organization remains agile and future-ready. With a focus on building leadership at all levels, we implemented targeted development programs and performance-linked incentives to align individual growth with organizational goals.
- The company also enhanced its digital HR platforms to streamline payroll, attendance, performance management, and learning modules, improving transparency and efficiency across HR functions. Special attention was given to employee well-being, mental health support, and workplace safety, especially in light of the dynamic and demanding industry environment.
- As we grow and diversify, our HR strategy remains focused on nurturing a motivated, skilled, and diverse workforce that can adapt to evolving business needs and contribute meaningfully to the company's long-term vision.
- Our work-force consists of our permanent employees, consultants and labour work force that work at projects through sub-contractors.

Cautionary Statement

Statements in this Management Discussion and Analysis contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Company's future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. The Company undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 30, 2025

Nitesh Shetty
Chairman & Managing Director
DIN:00304555

Standalone Accounts

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SATCHMO HOLDINGS LIMITED

Report on the audit of the Standalone Financial Results

Adverse Opinion

We have audited the Standalone financial statements of SATCHMO HOLDINGS LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2025, 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 the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Adverse Opinion paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and due to the significance of matter described in the Basis for Adverse Opinion paragraph given below, the accompanying standalone financial statements do not 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, 2025, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Adverse Opinion

The Company has incurred losses over the years resulting in negative net worth and negative working capital. The default in payment of dues to banks and financial institutions and creditors etc. are the identified events that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern. The Statement does not adequately disclose this fact.

The Company has stepped back / separated from certain projects under development and has transferred those projects to other developers/ landowners through the Memorandum of Understanding (MOU) or Business Transfer Agreement (BTA). Although these transactions have reduced the liability of the Company to banks and financial institutions, the ability of the Company to continue as a going concern continues to remain uncertain in view of the negative net worth.

As the Company has not recognized this fact and has prepared the standalone financial statements on a going concern assumption basis without carrying out any adjustments, in our opinion, the Statement may not give a true and fair view. (Refer to Note 44 of the Standalone financial statements).

Other matters that require a modification to the opinion;

1) Year-end balance confirmation in respect of trade receivables, trade payables, vendor advances, advances from customers and other advances have not been provided for our verification and record for all the parties. In the absence of such confirmation, we are unable to ascertain any consequential effect of the above to the financial results for the year. As explained, necessary mails have been sent to some of the parties for confirmation. However, no replies have been received in this regard except in few cases.

2) As per the records of the Company and information and explanations provided to us, the Company has been irregular in depositing the undisputed statutory dues, including provident fund, income-tax, value-added tax, Goods and Services tax, cess, etc. The Company is yet to deposit to the Income Tax Department the tax deducted from vendors amounting Rs. 128 lakhs and is an assessee in default by virtue of Income Tax Act.

The Company also has a receivable balance of Rs. 678.39 Lakh and a payable balance of Rs. 201.42 Lakh (excluding interest and disputed VAT liability under appeal) from/ to various government authorities. Due to such statutory non-compliance, we are unable to comment on the actual recoverability and payment of the dues against such balances.

3) Necessary documents with respect to certain advance payments to vendors and receipts from vendors/customers and movement in balance during the period were not made available for our verification which include a balance payable to a former subsidiary

amounting Rs 624 lakhs out of which Rs 40 lakhs was received during the year the purpose and details of which were not made available to us by the management (Refer Note No. 29 b. and 29.c. of the consolidated financial statements). Consequently, we are unable to comment on such transactions and balances.

4) Inventories amounting to Rs 1,441 Lakh (Net of “Payable to land owner for land under JDA”) has not been tested impairment for ascertaining the realizable value as on 31st March, 2025. To the extent of any possible diminution of value not accounted for, the standalone financial statements may not give a true and fair view as per the requirement of Ind AS 2 (Refer to Note 7 of the Standalone financial statements).

5) The Company had written off old debit balances and also written back old payables in the year ended 31st March, 2025 amounting Rs 129 lakhs and Rs 3342 lakhs respectively as the same are considered unrealizable and without any claim for payment over a considerable period of time. Supporting documents were mostly not made available to us as audit evidence for our verification and record in regard to such write offs/write backs as mentioned. (Refer to Note 27 of the Standalone Financial Statements)

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Emphasis of Matter

We draw attention to the facts mentioned below:

a) The Company had entered into One-time Settlements (OTS) with JCF ARC (J C Flowers Asset Reconstruction Pvt Ltd) (assigned by YES Bank) and HDFC Limited vide Letters dated 14th April, 2023 and 6th June, 2023 respectively as per which, the Company had to repay the amounts mentioned in the settlement letters in a time-bound manner. In the event the Company defaulted on the mentioned timelines or any other payment terms, the said settlement approvals would stand revoked. However, the Company had defaulted on the timelines of the payment under OTS with respect to both the lenders. Subsequently, the Company had received a notice on 23rd November, 2023 from JCF ARC revoking the above-mentioned OTS and was called upon to repay outstanding dues along with applicable interest charges, costs, etc. with effect from the date of notice aforementioned (Refer to Note 13(i) and (ii) of the Standalone financial statements).
On this basis, the Company has disclosed Rs. 8,507 Lakh under Current Borrowing (being the OTS outstanding balance of JCF ARC and HDFC) and Rs. 48,233 Lakh under Disputed Liability (being the difference between original loan and interest liability and OTS outstanding balance) as on 31st March, 2025. (Refer to Note 14(i) of the Standalone financial statements).

The Company is in communication with the lenders for seeking an extension for the balance payment therefore has not booked any further liability on the basis of such demand from JCF ARC as informed by the management.

No information / document is made available regarding the revocation in case of HDFC Limited.

The Company had, on 22nd July, 2024, informed SEBI as per Regulation 30 of SEBI (LODR) Regulations, 2015 about the institution of proceeding under section 7 of the Insolvency and Bankruptcy Code, 2016 by JC Flower Asset Reconstruction Company (Financial Creditor) against the Company (Corporate Debtor) before the National Company Law Tribunal regarding their outstanding due against the term loan amounting Rs.38,595 Lakhs.

Based on the above, the complaint was registered with NCLT on 12th September 2024 and the Tribunal had issued an interim Order on 1st October, 2024 under section 7 of the Insolvency and Bankruptcy Code, 2016 for serving notice to the Respondent Company and the responsible person of Satchmo Holdings Limited which may have an impact on the going concern status of the Company in the foreseeable future. The Company was heard by the NCLT and the Order was delivered on 27th November, 2024 where the Respondent (the Company) was granted three weeks’ time to file objection and one week time granted to Petitioner (J.C.Flowers Asset Reconstruction Pvt Ltd) to file rejoinder. As per the Order delivered the matter was listed on 07th January 2025 and presently, the subject matter stands listed for hearing on June 6, 2025 after adjournments on 14th April, 2025 and 21st April, 2025. Further information on the status of this NCLT matter was not made available.

b) The Company had, during the current financial year, signed a share purchase agreement for divesting its equity investment in Northroof Ventures Private Limited and full sale consideration has already been received in the first quarter of the financial year. However, the other conditions as per the agreement are still in the process of execution as the shares are held as lien by JC Flower Asset Reconstruction Company, a creditor. Once all the liabilities are settled, we are informed that share transfer execution shall be completed.

   As of the reporting date, the balance receivable from Northroof Ventures Private Limited is Rs. 1,033 Lakhs, which has been impaired due to the negative net worth of Northroof Ventures Private Limited. (Refer to Note 10(ii) of the Standalone financial statements).

c) During the financial year, the Company had entered into a memorandum of understanding with a new developer on 28th March, 2025 for transferring its development rights, interest and entitlements relating to projects Plaza (situated at Ali Asker Road measuring 106513 square feet) and Soho (situated at Commissariat Road, near Bangalore Centre measuring 89300 square feet) and advances of Rs 300 lakhs and Rs 50 lakhs was received on 29th March, 2025 towards the said projects Plaza and Soho respectively from the new developer. (Refer to Note 4.2 of the Standalone financial statements)

   In this context it is pertinent to mention that the Company is yet to decide on the JDA Rights acquired in 2022-23 in the Project at Commissariat Road in exchange for advance receivable along with its subsidiaries for an amount of Rs. 10,311 Lakh. This Right has been classified as a Right of Use asset at the acquisition cost, and based on the management estimate, the carrying cost is below the net realizable value. The Company is yet to ascertain the period for necessary amortization. (Refer to Note 4.1. i) and ii) of the Standalone financial statements)

d) The Company has not renewed the registration of project “Rio” under the provisions of Real Estate (Regulation and Development) Act, 2016 since 31st March 2019, resulting in non-compliance under the relevant rules and regulations of the Real Estate (Regulation and Development) Act, 2016.

e) According to the information and explanation provided to us, Gratuity plan of the Company is unfunded as at 31st March, 2025 and the Company has made provision for the entire Gratuity Liability. Employee Gratuity Liability is being met as and when they fall due. As no assets are maintained by the Company, there is a liquidity risk that the Company may run out of cash resources which may further affect the financial position of the Company. (Refer to Note 32 of the Standalone financial statements)

f) Revenue relating to invoices raised on maintenance charges for a project aggregating Rs 1932 lakhs was not recognised due to uncertainty in collection of the expected consideration and ongoing reconciliation of the balances with the respective customers. (Refer to Note 17(ii) of the Standalone financial statements)

g) Certain Managerial personnel duly appointed by members have intimated the Board that they would be foregoing their remuneration from their respective date of appointment in order to comply with the provisions of section 197(1) of the Companies Act, 2013 since lender’s approval prior to such appointment was not obtained. Accordingly, no managerial remuneration has been accounted for in the books of account in respect of those personnel. The board has noted the “Letter of Undertaking” received from the personnel for non-acceptance of salary and other remuneration.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Adverse Opinion section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
Institution of proceeding under section 7 of the Insolvency and Bankruptcy Code, 2016 by JC Flower Asset Reconstruction Company (Financial Creditor) The Company had entered into One-time Settlements (OTS) with JCF ARC (assigned by YES Bank) and HDFC Limited vide Letters dated 14th April, 2023 and 6th June, 2023 respectively as per which, the Company had to repay the amounts mentioned in the settlement letters in a time-bound manner. The Company had defaulted on the mentioned timelines or any other payment terms, the said settlement approvals stood revoked by way of a notice on 23rd November, 2023 from JCF ARC and the Company was called upon to repay outstanding dues along with applicable interest charges, costs, etc. with effect from the date of notice aforementioned, as elaborated in clause (a) of the Emphasis of Matter paragraph .	The auditors have been seeking information from the Management on the status of the proceeding and the complaint with NCLT. The Company had shared the status of the dates of hearing before NCLT as and when adjourned. We had requested for the plan of action for settlement of the dues and were provided the copies of the MOUs entered with a new developer on 28th March, 2025 for transferring its development rights, interest and entitlements relating to projects Plaza and Soho. The management had informed that part of the JCF dues would be settled through consideration from the transfer and from realization out of transfer from one of their existing projects. The Auditors were informed of arrangement wherein the JCF matter with NCLT will be settled at the amount agreed on OTS (which stands revoked presently) which is lower than Rs 386 crores outstanding as recorded with NCLT. However document substantiating the aforesaid communication was not made available raising doubts about the course of action to be adopted for repayment of dues and of the continuity of the entity in the foreseeable future.
Maintenance income pending reconciliation included under Other Liability (Note 17) Contract Liability of Rs 1928 lakhs under 'Other Liability' in Note 17 to the Standalone Financials has not been recognised as revenue in the books for which reconciliation is pending. The related debit i.e., trade receivable in Note 8 shows a balance of Rs 1871 lakhs as considered good and represents the amount of consideration due.	**Audit Procedures adopted** The auditors had communicated this matter with the Head of Finance in charge of governance who had explained that the amount is in regard to maintenance charges billed on customers relating to one project and is pending reconciliation.

Responsibilities of the Management and Those Charged with Governance for the Statements

These standalone financial results have been prepared on the basis of the standalone financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit for the year ended March 31, 2025 and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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 Results

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

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 results, 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 but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 auditors' report to the related disclosures in the 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 auditors' report.

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

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

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.

Other Matters

a) During the previous financial year, the GST department had reinstated the GST registration vide form Reg 22 dated May 12, 2023. Pursuant to this, the Company has ascertained certain GST liabilities for previous years and deposited to the department. However, the Company has received an order subsequently for cancellation of GST registration on account of failing to furnish the returns for prescribed periods.

   On verification of documents and according to the explanation provided to us, the Company is raising GST invoices in order to deposit GST liability to the department as and when GST registration will stand valid.

The Company had begun depositing amounts towards GST dues on announcement of Amnesty Scheme on 16th January, 2025 from the Department of Commercial Taxes, Government of Karnataka regarding waiver of interest and penalty or both relating to demands under Section 73 of the CGST Act pertaining to Financial Years 2017-18, 2018-19 and 2019-20.

b) The Company earlier on February 23, 2022 had amended the main Objects of the Company's Memorandum of Association and post amendment of the Object Clause, the Company is to predominantly focus on trading in land and plotted development, Service business comprising wide areas of facilities / manpower / catering / restaurants activities, related Internet Technology Services and long term investment and trading in equities. During the last quarter on January 28, 2025 a new Company, Satchmo Foods Private Limited was incorporated as a wholly owned subsidiary of the Company to deal in the business of manufacturing, supply, distribution of food products and services.

c) We have been informed by the management that the Company has advanced monies to a related party as per a special resolution taken by the Company in terms of the relevant provisions of the Companies Act, 2013 and necessary disclosure has been given in the financial statements. (Refer to Note 29 b of the Standalone financial statements)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure – A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   a) Except for the effects of the matters described in the Basis for Adverse Opinion paragraph above read with the Emphasis of Matter and Other Matters paragraphs, 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) Except for the effects of the matters described in the Basis for Adverse Opinion paragraph above read with the Emphasis of Matter and Other Matters paragraphs, 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, the statement of changes in equity and statement of cash flows dealt with by this Report are in agreement with the books of account.
   d) Except for the effects of the matters described in the Basis for Adverse Opinion paragraph above read with the Emphasis of Matter and Other Matter paragraphs, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
   e) The matters stated in the Basis for Adverse Opinion section above, in our opinion, may have an adverse effect on the functioning of the Company.
   f) On the basis of written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified from being appointed as director in terms of Section 164(2) of the 'Act' as on 31st March, 2025.
   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure –B. Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company`s internal financial controls over financial reporting for the reasons stated therein.
   h) In terms of the provisions of section 197(16) of the Companies Act, 2013 and according to the information, representation and explanation given to us by the management, no managerial remuneration has been paid/provided during the year apart from remuneration paid to one executive director in his operational capacity working also as Chief Financial Officer of the Company.
   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment Rules, 2021, 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 – Refer note no. 34;
      ii. According to the information and explanation given by the management, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There were no amounts which were 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, other than as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), including foreign entities ("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, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("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; and

(c) Based on the audit procedures we have 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 (a) and (b) contain any material misstatement.

v. No dividend is declared or paid by the Company during the year and hence, compliance with section 123 of the Companies Act, 2013 is not applicable to the Company.

vi. Based on our examination which included test checks, the Company has changed the accounting software (from SAP to Tally Prime Gold) from 1st April 2024 for maintaining its books of account 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 software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to the Company with effect from April 1, 2023, and reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirement for record retention is in place (both for the previous and existing Accounting Software) for the financial year ended March 31, 2025.

For KAMG & ASSOCIATE
Chartered Accountants
(Firm's Registration No. 311027E)

(Amitabha Niyogi)
Partner
Membership No 056720
UDIN: 25056720BMJTAO8768

Place : Bengaluru
Date : 30.04.2025

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

"Annexure A" referred to in our report to the members of Satchmo Holdings Limited under the heading 'Report on Other Legal and Regulatory Requirements' of our report at even date.

We report that:

i. (a) (A) The Company has maintained proper records showing the necessary particulars including quantitative details and description of Property, Plant and Equipment. Further, details on location need to be incorporated.;

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

(b) According to the information and explanation given to us, the Company follows a policy of physical verification of the Property, Plant and Equipment in a phased manner over a period of three years. Some of the assets have been physically verified by the management during the year and no material discrepancies were noticed. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) Based on our examination of records and according to the information and explanation given to us, the title deeds of the immovable properties as recorded in the books of account (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are disclosed in the financial statements and are held in the name of the company other than the one mentioned below.

The Company had, since 30th March 2023, obtained a Right to Use 87,500 sq. ft. of area at Commissariat Road Property through Deed of Settlement of various advances against which the agreement for use and terms and condition are yet to be entered into with the parties.

(d) The Company has not revalued any its Property, Plant and Equipment or any intangible assets during the year.

(e) According to the information, explanations and management representations provided to us, the Company is neither holding any Benami property nor any proceeding has been initiated or is pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company is engaged in the business of real estate development and related services and holds inventories in the form of land, developed properties and properties under development. Having regard to the nature of inventory, the management has conducted physical verification of inventory by way of verification of Joint Development Agreements (JDA), site visits conducted and certification of extent of work completion by competent persons, at reasonable intervals during the year. However, in respect of certain projects, certificates of competent authority in respect of work completion has not been provided to us. Accordingly, we are unable to comment on whether material discrepancies, if any, have been properly dealt with in the books of accounts in such cases.

(b) According to the information and explanation given to us, the Company was not sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Hence, filing of returns or statements to Banks or Financial Institution is not applicable to Company.

iii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. However, during the year, the Company has granted advances in the ordinary course of business to the following subsidiaries and other parties. In this respect, we report as below:

(a) The Company has provided unsecured advances in the ordinary course of business to its subsidiaries and other related parties.

(A) With respect to advances given to its subsidiaries, the following information was made available to us:

(Amount Rs. In Lakhs)

Name of Companies/ Parties	Relation with the Company	Amount provided during the year	Outstanding Balance as on 31.03.2025
Northroof Ventures Private Limited	Subsidiary	Nil	1,033
Satchmo Foods Private Limited	Subsidiary	16	16

(B) With respect to advances given to related parties other than subsidiaries, the following information was made available to us:

(Amount Rs. In Lakhs)

Name of Companies/ Parties	Relation with the Company	Amount provided during the year	Outstanding Balance as on 31.03.2025
Nitlogis Private Limited	Other Party	81	461

(b) The Company has given a fresh advance to a related party and an advance to a newly incorporated subsidiary during the fourth quarter of the financial year. The Company has also obtained a special resolution in respect of the advance to the related party.

Further, the Company has incurred cash losses during the year and is unable to pay its statutory liabilities. Due to such continued cash losses, such advances/ loans are prejudicial to the interest of the Company.

(c) We have not been provided the details stating the terms of advances/ loans granted. Hence, we cannot comment on the regularity of the receipts and repayments.

(d) Total amount of advances/ loans outstanding as per the financial statements is shown at Rs. 1,510 Lakhs. In the absence of necessary documents and information and explanation in the matter, we are unable to conclude whether the amount is overdue. We are not aware of the steps taken by the Company toward the recovery of these advances/ loans.

(e) In the absence of necessary information, we are unable to comment on whether the above amount outstanding has fallen due during the year. However, fresh advances/ loans were given to related parties amounting to Rs. 97 Lakhs which constitutes 6.42% of total outstanding dues.

(f) In the absence of necessary documents, advances/ loans given to related parties / Companies are without specifying any terms or period of repayment. The aggregate amount of advances/ loans granted to such related parties specified under sub-section (76) of section 2 of the Companies Act is Rs. 1,510 Lakhs which constitutes 100% of the total loans granted.

iv. According to the information and explanation given to us, the Company has complied with provisions of sections 185 and 186 of the Act. Advances amounting Rs. 16 Lakhs and Rs 81 lakhs were provided to the newly incorporated wholly owned subsidiary and other related party respectively during the current financial year which is 100% of the total loans provided during the year. Point c) under 'Other Matters' in the Independent Auditor's Report may please be referred to in this context.

v. Based on our examination of records and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the relevant rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. To the best of our knowledge and according to the information and explanations given to us, the Central Government has prescribed for the maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that *prima facie*, the necessary accounts and records have been made and maintained.

vii. (a) As per the records of the Company and according to the information and explanations provided to us, the Company is irregular in depositing the undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value-added tax, cess and other applicable statutory dues to the appropriate authorities.

The following amounts were outstanding as at 31st March 2025 for a period of more than six months from the date they became payable:

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, 1961	TDS	44	April 2024 – September 2024	Various due dates	Not paid
Income Tax Act, 1961	TDS	52	Previous Years	Various due dates	Not paid
CGST Act, SGST Act & IGST Act, 2017	GST	81	Previous years	Various due dates	Not paid
CGST Act, SGST Act & IGST Act, 2017	GST	9	April 2024 September 2024	Various due dates	Not paid
Provident Fund & Misc. Provisions Act, 1952	Provident Fund	10	April 2023 September 2023	20th October 2023	Not paid
Provident Fund & Misc. Provisions Act, 1952	Provident Fund	53	Previous years	Various due dates	Not paid
Service Tax Act, 1994	Service Tax	3	Previous years	Various due dates	Not paid
KTPTCE Act, 1976	Profession Tax	Nil	Previous years	Various due dates	Not paid
Pension Fund Regulatory and Development Authority (PFRDA) Act, 2013	NPS	2	Previous years	Various due dates	Not paid

(b) According to the information and explanations given to us, the following are the disputed statutory dues which have not been deposited by the Company as on 31st March, 2025.

Name of the statute	Nature of the dues	Period to which the amount relates	Oi	Forum where dispute is pending
Income-tax Act	Income-tax-269 SS TDS	AY 2009-10	330.00 6.54	Joint Commissioner (Appeals) or the Commissioner of Income tax (Appeals) TDS – Circle 2(1)
KVAT Act	VAT	AY 2014-15 AY 2016-17 AY 2017-18	114 140 30	DCCT(A) CTO(A) DCCT(A)
GST Act, 2017	GST	FY 2017-18 FY 2018-19 FY 2019-20	47 122 24	DCCT (A) JCCT(A) DCCT(A)

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions not recorded in the books of accounts as income during the year in respect of tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to the information and explanations given to us, the Company has defaulted in repayment of borrowings and in the payment of interest thereon to the bank and the financial institution as mentioned below:

Nature of Borrowings, including debt securities	Name of Lender	Amount of default (Rs./Lakhs)	Whether Principal or Interest (Rs./ Lakhs)	Period of default
Term Loan	J C Flower Asset Reconstruction Private Limited (previously with Yes Bank Limited)	24881	Principal -19,710 and Interest – 5171	More than 180 days
Loan	HDFC Limited	31859	Principal – 18,312 and Interest – 13,547	More than 180 days

(b) According to the information, representation and explanation given to us and on the basis of examination of records made available to us, the Company has not been declared a wilful defaulter by the bank and the financial institution. However, as mentioned in note no.13(i) of the financial statements, these borrowings from the bank and financial institution had become Non-Performing Assets (NPAs) and the bank and the financial institution had called upon the debt.

(c) The Company has term loans as on the balance sheet date and as per representation of the management those term loans were applied for the purpose for which the loans were obtained by the Company. However, the necessary certification in respect of the end use of such loans or advance has not been provided to us by the management and hence we cannot comment on the same.

(d) According to the information and explanation provided to us, the Company has not raised any funds on short term basis during the year. Accordingly, clause ix (d) is not applicable.

(e) According to the information, representation and explanation provided to us, the Company has not taken any funds during the year from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanation provided to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate company.

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

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year. Hence, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.

xi. According to the information, representation and explanations given to us by the management,

(a) No fraud on or by the Company has been noticed or reported during the year. Accordingly, the provision of clause 3(x) of the said order is not applicable.

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

(c) The Company has not received any whistle-blower complaints during the year.

xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us by the management, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the standalone financial statements etc., as required by the applicable accounting standards. The management has provided us with extracts of the board meetings in respect of these transactions with related parties, however, the nature of such transactions and underlying documents in support of the same have not been provided to us.

xiv. According to the information and explanations given to us;

(a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditors for the period under audit were provided to us and was duly considered for our statutory audit purpose.

xv. According to the information and explanations given to us and as represented to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

xvi. According to the information and explanations and representation given to us:

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Group does not have any Core Investment Company. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses of Rs 1410 lakhs during the financial year and had incurred cash losses of Rs. 4,358 Lakhs in the immediately preceding financial year.

xviii. There has not been any resignation of the statutory auditors during the year. Hence the reporting under clause 3 (xviii) of the Order is not applicable to the Company.

xix. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans, we are of the opinion that material uncertainty exists as on the date of audit report that the Company may not be 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.

xx. According to the information and explanations given to us, the provisions of section 135 of the Companies Act is not applicable to the Company. Hence, reporting under clause 3(xx) of the Order is not applicable to the Company.

For KAMG & ASSOCIATE
Chartered Accountants
(Firm's Registration No. 311027E)

(Amitabha Niyogi)
Partner
Membership No 056720
UDIN: 25056720BMJTAO8768

Place: Bengaluru
Date: 30.04.2025

"Annexure-B" to the Independent Auditors' Report

Report on the Internal Financial Controls over Financial Reporting 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 Satchmo Holdings Limited (herein after referred to as "the Company") as of 31st March, 2025 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 ('ICAI'). 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the effects/possible effects of the material weaknesses described in ‘Basis for Qualified Opinion’ paragraph below on the achievement of the objectives of the control criteria over financial reporting, there is an urgent requirement for the management to design control procedures for recording and documentation of transactions and financial approvals of the Company and also for complying with the various provisions of the applicable acts which as a whole are directly related to the effectiveness of the Internal Control Functions over Financial Reporting of the Company, considering the essential component of internal control as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Basis for Qualified Opinion

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.
According to the information and explanations given to us and based on our audit procedures, the following material weaknesses have been identified in the Company`s internal financial controls over financial reporting as at 31st March, 2025.

a) The Company did not have an appropriate internal control system relating to granting of unsecured advances for acquiring various immovable properties. The credit worthiness of the parties, exposure and experience in handling land procurement by third parties, asset base for providing security and guarantee, establishing segregation of duties, determining credentials of the counterparties and sufficient documentation regarding such transactions etc. should be verified at the time of authorization and disbursement of said advances.
b) The Company did not have complete system of obtaining year-end balance confirmation certificates in respect of trade receivables, trade payables, vendor advances, advance from customers and other advances.
c) The Company did not have an adequate internal control system to manage the utilization of loans and facilities obtained from the banks and other financial institutions as per the terms governing such loans and facilities and also the disclosure requirements against such loans and advances received from the banks and the financial institutions.
d) The Company did not have an appropriate internal control system to ascertain the realizable value of Inventory and also does not have a documented system of regular inventory verification.
e) The Company did not have adequate internal control for ascertaining tax assets/liabilities and payments of statutory dues including Income Tax and Goods and Service Tax and other relevant Taxes.
f) The Company did not have an appropriate internal control system to ascertain the net realizable value of financial assets and the system for conducting impairment testing to ascertain the actual value of the asset to be carried in the books of accounts.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2025 standalone financial statement of the Company, and these material weaknesses have affected our opinion on the standalone financial statement of the Company and we have issued an adverse opinion on the standalone financial statement.

For KAMG & ASSOCIATE
Chartered Accountants
(Firm’s Registration No. 311027E)

(Amitabha Niyogi)
Partner
Membership No 056720
UDIN: 25056720BMJTAO8768

Place: Bengaluru
Date: 30.04.2025

Satchmo Holdings Limited

Balance Sheet As at 31 March 2025

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

	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, Plant And Equipment	4.1	10,370	10,388
Capital work-in-progress	4.2	-	-
Intangible assets	5	3	3
Investments	6	1	-
Other Financial Assets	9(ii)	47	47
Deferred tax assets, net	16	-	-
Other Non-Current Assets	10	15	15
		10,436	**10,453**
Current assets			
Inventories	7	2,895	2,903
Financial assets			
Trade receivables	8	1,872	55
Cash and Cash equivalents	9(i)	366	12
Other current assets	10	13,373	13,898
		18,506	**16,868**
Total assets		**28,942**	**27,321**
Equity and liabilities			
Equity			
Equity share capital	11	14,583	14,583
Other equity	12	(109,256)	(110,836)
Total equity		**(94,673)**	**(96,253)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Other Financial liabilities	14	18	18
Provisions	15	113	120
		131	**138**
Current liabilities			
Financial liabilities			
Borrowings	13	8,507	8,507
Trade payable	18		
Total outstanding dues of micro and small enterprises		4	3
Total outstanding dues of creditors other than micro and small enterprises		2,752	6,588
Other financial libilities	14	101,548	101,548
Other current liabilities	17	9,533	5,638
Provisions	15	10	17
Current tax liabilities, net	19	1,130	1,135
		123,484	**123,436**
Total liabilities		**123,615**	**123,574**
Total equity and liabilities		**28,942**	**27,321**

The accompanying notes from an Integral part of the financial statements

As per our report of even date attached

for **KAMG & ASSOCIATES**
Chartered Accountants
Firm registration number: 311027E

Amitabha Niyogi
Partner
Membership No. 056720
UDIN :25056720BMJTAO8768

Place: Bengaluru
Date: 30 April 2025

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Nitesh Shetty
Chairman and Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Satchmo Holdings Limited

Statement of Profit and Loss for the year ended 31 March 2025

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

		Notes	for the year ended 31 March 2025	for the year ended 31 March 2024
1)	**Income**			
a)	Revenue from operations	20	159	1,929
b)	Other income	21	371	7,581
	Total income		**530**	**9,510**
2)	**Expenses**			
a)	Land and construction cost	22	83	4,594
b)	Employee benefits expense	23	732	677
c)	Finance cost	24	1	17
d)	Depreciation and amortization expense	25	10	11
e)	Other expenses	26	1,378	2,910
	Total expenses		**2,204**	**8,209**
3)	**Profit/(loss) before exceptional items and tax**		**(1,674)**	**1,301**
4)	**Exceptional items**	27	**3,225**	**(1,055)**
	Profit/(loss) before tax		**1,551**	**246**
5)	**Tax expenses**			
a)	Current tax	28	-	(110)
b)	Deferred tax		-	-
	Total tax expense		**-**	**(110)**
6)	**Profit/ (loss) for the year**		**1,551**	**356**
7)	**Other comprehensive income**			
a)	Items that will not to be reclassified to profit or loss in subsequent periods		-	-
b)	Re-measurement gains/(losses) on defined benefit plan		29	(4)
c)	FVOCI-Equity Investments		-	-
	Other comprehensive income for the year, net of tax		**29**	**(4)**
	Total comprehensive income for the year		**1,580**	**352**
8)	**Earnings per equity share** [nominal value of Rs.10 (Previous year - Rs.10)]			
(i)	Basic		1.06	0.24
(ii)	Diluted		1.06	0.24

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **KAMG & ASSOCIATES**
Chartered Accountants
Firm registration number: 311027E

Amitabha Niyogi
Partner
Membership No. 056720

UDIN :25056720BMJTAO8768

Place: Bengaluru
Date: 30 April 2025

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Nitesh Shetty
Chairman and Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director & Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Satchmo Holdings Limited

Statement of Changes in Equity for the year ended 31 March 2025

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

a. Equity share capital

	31-Mar-2025		31-Mar-2024	
	No of Shares	**Amount**	**No of Shares**	**Amount**
Equity shares of Rs. 10 each issued, subscribed and fully paid	145,832,100	14,583	145,832,100	14,583
Add : Equity Shares issued during the year	-	-	-	-
At 31st March 2025	**145,832,100**	**14,583**	**145,832,100**	**14,583**

b. Other equity

For the year ended 31st March 2025

	Reserves and Surplus		Other Reserve	
	Security Premium	**Retained Earnings**	**Fair Value through Other Comprehensive Income - Equity Instrument**	**Total**
As at 1st April 2023	31,259	(142,447)	-	(111,188)
Profit/(Loss) for the period	-	356	-	356
Other comprehensive income*	-	(4)	-	(4)
As at 31st March 2024	**31,259**	**(142,095)**	**-**	**(110,836)**
As at 1st April 2024	31,259	(142,095)	-	(110,836)
Profit/(Loss) for the period	-	1,551	-	1,551
Other comprehensive income*	-	29	-	29
As at 31st March 2025	**31,259**	**(140,515)**	**-**	**(109,256)**

* As required under Division II of Schedule III to the Companies Act 2013, the Company has recognised remeasurement gains/(losses) of defined benefit plans (net of tax) as part of retained earnings.

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

for **KAMG & ASSOCIATES**
Chartered Accountants
Firm registration number: 311027E

Nitesh Shetty
Chairman and Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
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Amitabha Niyogi
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Membership No. 056720
UDIN :25056720BMJTAO8768

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Place: Bengaluru
Date: 30 April 2025

Satchmo Holdings Limited

Statement of Cash Flows for the year ended 31 March 2025

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

	Notes	for the year ended 31 March 2025	for the year ended 31 March 2024
Operating activities			
Profit/ (Loss) before tax		**1,551**	**246**
Non-cash adjustment to reconcile profit before tax to net cash flows:			
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment		10	11
Un-used assets written off		10	-
Gain/ (loss) on disposal of property, plant and equipment		-	(16)
Sundry balance written back		-	(612)
Provisions & Liabilities no longer required		-	(6,467)
Interest income on Preference shares of Northroof		(371)	(326)
Impairment Provision against Preference shares of Northroof		371	326
Impairment Provision against Advances		(12)	1,045
Finance costs		1	17
Impairment provision against the WIP		-	371
Sundry Advances written off		-	1,609
Income Tax for earlier years		-	110
Working capital adjustments:			
(Increase)/ decrease in Inventories		8	9,106
(Increase)/ decrease in trade receivables		(1,817)	63
(Increase)/ decrease in other financial and non-financial assets		537	1,272
Increase/ (decrease) in trade payables and other financial liabilities		(3,835)	(2,747)
Increase/ (decrease) in provisions		(14)	6,484
Increase/ (decrease) in other non-financial liabilities		3,924	(7,320)
		363	3,172
Income tax paid (net of refund)		(5)	129
Net cash flows from/ (used in) operating activities (A)		**358**	**3,301**
Investing activities			
Purchase of property, plant and equipment		(3)	(52)
Proceeds from sale of property, plant and equipment		1	23
Purchase of Investments		(1)	-
Net cash flows from/ (used in) investing activities (B)		**(3)**	**(29)**
Financing activities			
Proceeds/(Repayments) from short-term borrowings		-	(3,478)
Interest paid (gross)		(1)	(17)
Net cash flows from/ (used in) financing activities (C)		**(1)**	**(3,495)**
Net increase/ (decrease) in cash and cash equivalents		354	(223)
Cash and cash equivalents at the beginning of the year		59	282
Cash and cash equivalents at the end of the year		**413**	**59**
Components of cash and cash equivalents			
Cash on hand		-	-
Balance with banks			
- on current account		366	10
– In Fixed Deposit with banks		-	2
Other non current financial assets [Refer Note 9(ii)]		47	47
Total cash and cash equivalents		**413**	**59**
		-	-

Note:

(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7- Statement of Cash Flow".

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **KAMG & ASSOCIATES**
Chartered Accountants
Firm registration number: 311027E

Amitabha Niyogi
Partner
Membership No. 056720
UDIN :25056720BMJTAO8768

Place: Bengaluru
Date: 30 April 2025

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Nitesh Shetty
Chairman and Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Satchmo Holdings Limited
Notes to the financial statements (Standalone) for the year ended 31 March 2025

1. Corporate Information

Satchmo Holdings Ltd (the Company or 'SATCHMO') was incorporated on 20 February 2004 (CIN: L93000KA2004PLC033412). SATCHMO, a real estate developer, has previously changed its objects and has added new lines of business. SATCHMO is now an Investment and Holding Company in the sectors of facilities management, Catering, Restaurants, food, dealing in purchase and sale of shares during the year as per changes of memorandum of association and other related activities. The Company's shares are listed on BSE Limited with effect from 13 May 2010. The registered office of the company is located at : No 110, Andrews Building, Level 1, M G Road, Bangalore - 560001.

The standalone Ind AS financials statements were authorised for issue in accordance with a resolution of Board of Directors on 30 April 2025.

2. Material accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.
The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

► Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

► Defined benefit plans - plan assets measured at fair value

The financial statements are presented in INR (Indian rupees) and all values are rounded to the nearest Lakhs, except when otherwise indicated.

2.2 Summary of material accounting policy information

a) Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue also excludes taxes collected from customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods and services rendered is net of variable consideration on account of arrears, discounts, interest, and schemes, if any offered by the Company as part of the Contract.

Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty, if any, relating to its recognition is resolved.
The specific recognition criteria described below must also be met before revenue is recognised.

i. Recognition of revenue from real estate development

Revenue from real estate projects is recognised at a point-in-time upon registration of the property in favour of the customer, which, in the opinion of the Company, marks the transfer of control upon the property and also the satisfactory discharge of the Company's performance obligation.

For projects executed through joint development arrangements, wherein the land owner / possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of revenue proceeds. The project costs include fair value of land being offered for the project and revenue from the development and transfer of constructed area / revenue sharing arrangement in exchange of such development rights / land is accounted on gross basis.

Revenue is measured at the fair value of land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of land received cannot be measured reliably, revenue is measured at the fair value of the estimated construction service rendered to the landowner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in determining the project cost.

For projects transferred as a slump sale or through business transfer agreements, the revenue is measured at the agreed value by the parties to the agreement. Such revenue is adjusted by the amount of assets / liabilities transferred against such projects.

ii. Recognition of revenue from share trading business

The Revenue from dealing in purchase and sale of shares is recognized on sale or transfer of shares from DEMAT account maintained in the name of the Company through open market operations.

iii. Contract Assets and Contract Liabilities

Contract Assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

A Contract Liability is recognised for an unearned or deferred revenue due to billing as per contractual terms in excess of revenue recognised. Bills are raised as per schedules agreed with customers to collect milestone based progress payments within contractually agreed credit period.

iv. Income from lease of commercial properties

Rental income receivable under operating leases is recognized in the income statement as and when due over the lease period.

v. Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest
rate method.

For all debt instruments measured either at amortised cost , interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

vi. **Dividend income**

Revenue is recognised when the shareholders' or unit holders' right to receive payment is established, which is generally when the shareholders approve the dividend.

b) Property, plant and equipment

Property, plant & equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are expensed as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

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

c) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided on 'Written Down Value Method' based on useful life as prescribed under Schedule II to Companies Act 2013.

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

d) Intangible Assets & Amortisation

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets / Computer Software is amortised using Straight Line Method over a period of 5 years, which is estimated by the management to be the useful life of the asset.

e) Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

f) Segment Reporting

Identification of segments - The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

g) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

***i)* Initial recognition**: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

***iii)* Exchange difference:** The Company accounts for exchange differences arising on translation / settlement of foreign currency monetary items as income or as expense in the period in which they arise.

h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Impairment of financial assets

The Company assesses at each date of Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance.

The Company recognises lifetime expected losses for all contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

j) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The real estate development projects undertaken by the Company run over a period ranging upto 5 years or such extended period. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of upto 5 years or such an extended period. Borrowings in connection with such projects are classified as short-term (i.e current) since they are payable over the term of the respective projects.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realised / are contractually repayable within 12 months from the Balance Sheet date and as non-current, in other cases.

k) Fair value measurement

The Company measures financial instruments, such as Investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Company.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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 re-assessing 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.

l) 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

Initial recognition and measurement

All financial assets are recognised initially 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
Debt instruments at amortised cost
Debt instruments at fair value through other comprehensive income (FVTOCI)
Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

► The rights to receive cash flows from the asset have expired, or

► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

ii. Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. The Effective Interest Rate amortisation is included as finance costs in the statement of Profit and Loss.

iii. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit or Loss.

m) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of Profit and Loss.

n) Cash and cash equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank and in 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. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal usage.

o) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the provident fund are due. There are no other obligations other than the contribution payable to the government administered provident fund.

Provision towards gratuity, a defined benefit plan, is made for the difference between actuarial valuation by an independent actuary and the fund balance, as at the year-end. The cost of providing benefits under gratuity is determined on the basis of actuarial valuation using the projected unit credit method at each year end.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as 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.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

p) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements, unless the possibility of an outflow of resources embodying economic benefit is remote.

r) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

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

s) Taxes

Tax expense comprises of current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

t) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognised as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories.

Land / development rights received under Joint Development Arrangements (JDA) is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. Further, non-refundable deposit amount paid by the Company under joint development arrangements is recognised as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress. Further, the amount of refundable deposit paid by the Company under JDA is recognised as deposits under loans.

u) Leases

A Contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for considerations.

Company as a lessee

At the commencement date, a lessee shall recognise a right-of-use asset at cost and a lease liability at the present value of the lease payments that are not paid at that date for all leases unless the lease term is 12 months or less or the underlying asset is of low value.

Subsequently, right-of -use asset is measured using cost model whereas, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless the costs are included in the carrying amount of another asset applying other applicable standards.

Right-of-use asset is depreciated over the useful life of an asset, if the lease transfers ownership of the asset to the lessee by the end of the lease term or if the cost of the right-to-use asset reflects that the lessee will exercise a purchase option. Otherwise, the lessee shall depreciate the right-to-use asset from the commencement date to the earlier of the end of the useful life of the right-to-use or the end of the lease term.

Company as a lessor
All leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Operating leases-lease payments from operating leases are recognised as income on either a straight-line basis unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is dimished. Finance leases- assets held under a finance lease is initially recognised in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease using the interest rate implicit in the lease to measure the net investment in the lease.

v) Inventories

Direct expenditure relating to real estate activity is accounted to inventories. Other expenditure (including borrowing costs) during construction period are accounted to inventories to the extent the expenditure is directly attributable to the cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

i) **Work-in-progress**: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii) **Finished goods -** Stock of Flats: Valued at lower of cost and net realizable value.

iii) **Raw materials, components and stores:** Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iv) **Land stock**: Valued at lower of cost and net realizable value.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

v) **Share:** Valued at lower of cost of purchase and net realizable value at closing date.
Net realizable value is the selling price less commission and other related expenditure for sale at closing date

3. Material accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

i) Going concern

These financial statements have been prepared on a going concern basis notwithstanding accumulated losses as at the balance sheet date and a negative net current assets situation.

These financial statements therefore do not include any adjustments relating to recoverability and classification of asset amounts or to classification of liabilities that may be necessary if the Company is unable to continue as a going concern.

ii) Classification of property

The Company determines whether a property is classified as investment property or inventory as below.

Investment property comprises land and buildings (principally office and retail properties) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Company develops and intends to sell before or during the course of construction or upon completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Determination of Contract Costs

Cost of property units for which revenue is recognised on registration, is charged to the statement of Profit & Loss on the basis of an appropriate ratio of overall budgeted cost (as reviewed from time to time to closely approximate the actual cost) for the project as a whole since it is impracticable to track actual costs for each registerable unit of property. Significant judgement and estimation is involved in budgeting the overall cost of the project and in determining the ratio applicable to each registerable unit of property.

ii. Accounting for revenue and land cost for projects executed through joint development arrangements

For projects executed through joint development arrangements, as explained in note 2.2(a) under Material accounting policies, the revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Company under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The management is of the view that the fair value method and estimates are reflective of the current market condition.

iii. Estimation of net realizable value for inventory (including land advance)

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.
With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

With respect to Shares held for trading, Net Realisable Value is assessed with respect to the selling price less commission and other related expenditure for sale at closing date.

iv. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable market prices where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Satchmo Holdings Limited

Notes to the financial statements (Standalone) for the year ended 31 March 2025

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

4.1 **Property, plant and equipment**

Particulars	Right to use	Leasehold improvements	Office Equipment	Computer	Furniture & fixtures	Building	Vehicles	Total
At 1 April 2023	10,311	21	17	26	39	-	59	10,473
Additions (refer note (i)	-	-	4	8	-	36	-	48
Disposals	-	-	5	22	-	-	33	60
At 31 March 2024	**10,311**	**21**	**16**	**12**	**39**	**36**	**26**	**10,461**
Additions (refer note (i)	-	-	-	1	1	-	-	2
Disposals	-	21	-	-	-	-	24	45
At 31 March 2025	**10,311**	**-**	**16**	**13**	**40**	**36**	**2**	**10,418**
Depreciation and impairment								
At 1 April 2023	-	21	7	15	29	-	48	120
Charge for the year	-	-	1	6	1	2	1	11
Disposals	-	-	5	21	-	-	32	58
At 31 March 2024	**-**	**21**	**3**	**-**	**30**	**2**	**17**	**73**
Charge for the year (refer note ii)	-	-	1	4	1	3	-	9
Disposals	-	-	-	-	-	-	16	16
Other adjustments		(21)	5	(2)	-	-	-	(18)
At 31 March 2025	**-**	**-**	**9**	**2**	**31**	**5**	**1**	**48**
Net Book value								
At 31 March 2025	**10,311**	**-**	**7**	**11**	**9**	**31**	**1**	**10,370**
At 31 March 2024	**10,311**	**-**	**13**	**12**	**9**	**34**	**9**	**10,388**

i) The Company has obtained "Right of Use" (ROU) of 87,500 sq.ft. of Commissariate Road Property from WLM Logistics Parks Private Limited (WLMPL) as a consideration against various advances under business settlement. The value of the ROU amounting to Rs. 10,311 Lakhs has been disclosed under property, plant & equipment.

ii) With the available information, the Company is not in a position to determine the period for “Right to Use” (ROU). Accordingly no amoritisation has been done.

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*
full rights of use of the 87,500 Sq. ft. of Commissariate Road Property as per deed of settlement	Rs. 10,311 Lakhs	Bangalore Baptist Church Trust	NO	Since 30 March 2023	As this is Joint Development rights (JDA), post completion of building and upon registration, the property will be transferred in Company's name

4.2 Capital Work in progress

	Investment property under construction	Property, Plant and Equipment	Total
At 1 April 2023	18,656	-	18,656
Additions	-	-	-
Deletion/Adjustments	-	-	-
At 31 March 2024	**18,656**	**-**	**18,656**
Additions			
Deletion/Adjustments	-		-
At 31 March 2025	**18,656**	**-**	**18,656**
Impairment			
At 1 April 2023	**18,656**	**-**	**18,656**
Impairment	-	-	-
Deletion/Adjustments	-	-	-
At 31 March 2024	**18,656**	**-**	**18,656**
Charge for the year	-	-	-
Impairment	-	-	-
Deletion/Adjustments	-	-	-
At 31 March 2025	**18,656**	**-**	**18,656**
Net Book value			
At 31 March 2025	**-**	**-**	**-**
At 31 March 2024	**-**	**-**	**-**

Note:

On 28th March 2025 the Company has signed an MOU with New Developer for exiting project Plaza and Soho for transfer of its development rights, interest and entitlements. The balance of CWIP as on reporting date includes Rs. 11,493 Lakhs and Rs, 7,163 Lakhs related to Plaza and Soho respectively. Impairment provision of equivalent amount exists in the books.

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

5 Intangible assets

Particulars	Computer - Software	Total
At 1 April 2023	58	58
Additions	-	-
At 31 March 2024	**58**	**58**
At 1 April 2024	58	58
Additions	1	1
At 31 March 2025	**59**	**59**
Amortization and impairment		
At 1 April 2023	55	55
Charged for the Year	-	-
At 31 March 2024	**55**	**55**
At 1 April 2024	55	55
Charged for the Year	1	1
At 31 March 2025	**56**	**56**
Net Book value		
At 31 March 2025	**3**	**3**
At 31 March 2024	**3**	**3**

6 Investments

Particulars	Current		Non-current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
(A) Investments in equity instruments (fully paid up), valued at cost unless otherwise stated				
Unquoted				
Subsidiary Companies				
10,000 (2024: Nil) equity shares of Rs 10/- each fully paid in Satchmo Foods Private Limited	-	-	1	-
1,04,86,500 (2024: 1,04,86,500) equity shares of Rs 10/- each fully paid in NIRPL Ventures Private Limited	-	-	2,836	2,836
Less: Allowance for impairment in the value of Investments	-	-	(2,836)	(2,836)
44,94,900 (2024: 44,94,900) equity shares of Rs 10/- each fully paid in Northroof Ventures Private Limited	-	-	449	449
Less: Allowance for impairment in the value of Investments	-	-	(449)	(449)
41,50,000 (2024: 41,50,000) preference shares of Rs 10/- each fully paid in Northroof Ventures Private Limited, (Equity portion of Preference Shares) Refer note (i) & (ii) below	-	-	7,703	7,703
Less: Allowance for impairment in the value of Investments	-	-	(7,703)	(7,703)
65,82,000 (2024: 65,82,000) equity shares of Rs 10/- each fully paid in Marathalli Ventures Private Limited	-	-	2,367	2,367
Less: Allowance for impairment in the value of Investments	-	-	(2,367)	(2,367)
Nil (2024: 3,00,000) equity shares Rs 10/- each fully paid in Lucetio Primary Manpower Private Limited (formerly known as Lob Facilities Management Private Limited)	-	-	-	30
Less : Loss on impairment of investments	-	-	-	(27)
Less: Divested the 100% holding in the value of Investments (Refer note (iv) below)	-	-	-	(3)
Allowance for impairment in the value of Investments	-	-	-	(30)
Less: Allowance no longer required written back (Refer note (v) below)	-	-	-	30
	-	-	-	-
50,000 (2024:50,000) equity shares Rs.10/- each fully paid in Nitlogis Private Limited	-	-	5	5
Less: Allowance for impairment in the value of Investments	-	-	(5)	(5)
Net Investment (Lucetio Primary Manpower Private Limited)	-	-	-	-
	-	**-**	**1.00**	**-**

(B) Investments in preference shares (fully paid up)				
41,50,000 (2024: 41,50,000) preference shares of Rs 10/- fully paid in Northroof Ventures Private Limited, (Fair value of debt portion of Preference Shares). **Refer note (i) below**	-	-	3,019	2,649
Less: Allowance for impairment in the value of Investments - **Refer note (ii) below**	-	-	(3,019)	(2,649)
	-	-	-	-
(C) Investments in Association of Persons (AOP)				
Whitefield Housing Enterprises (Formerly known as Nitesh Estates – Whitefield).	-	-	-	1,008
Investment settled	-	-	-	(1,008)
	-	-	-	-
(D) Other Investments				
In subsidiaries for financial guarantee at cost				
Unquoted				
Marathalli Ventures Private Limited	-	-	19,490	19,490
Northroof Ventures Private Limited	-	-	33,793	33,793
Less: Allowance for impairment in the value of Investments **[Refer Note iii below]**	-	-	(53,283)	(53,283)
	-	-	-	-
Total	**-**	**-**	**1.00**	**-**
Aggregate amount of quoted investments	-	-	-	-
Market value of quoted investments	-	-	-	-
Aggregate amount of unquoted investments	-	-	69,658	70,325
Investment settled				(1,038)
Aggregate amount of impairment in the value of investments	-	-	(69,657)	(69,287)

Note :

(i) The Company had invested Rs 8300 Lakhs in Non-cumulative redeemable preference shares (NCRPS) carrying non-cumulative dividend of 9% p.a. of face value of Rs 10/- each . The preference shares carry discretionary dividend in accordance with the terms of issue. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each NCRPS holder is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to NCRPS. These shares may be redeemed, in whole or in part, at the option of the company at any time subject to satisfaction of certain conditions, at the stipulated redemption amount and if not redeemed earlier, these shares will be redeemed on or before 11 December 2032.

(ii) The Company has fully impaired its investment in subsidiary companies based on negative net worth and operating performance as per the balance sheet valuation due to continous loss over the years.

Name of the Company	31-Mar-2025	31-Mar-2024
Northroof Ventures Private Limited	371	326
Total	**371**	**326**

(iii) Marathalli Ventures Private Limited and Northroof Ventures Private Limited both are 100% subsidiaries of the Satchmo Holdings Ltd (the Company) have availed credit facilities aggregating Rs 18,500 Lakhs and Rs 31,500 Lakhs respectively, from YES Bank Ltd. As a security for the credit facilities availed, the parent company has furnished in favour of the bank an unconditional and irrevocable guarantees, guaranteeing the due and prompt repayment of the amount outstanding under the facilities and executed a Deed of Corporate Guarantee (the guarantee) dated 29-Feb-2016 and 03-Oct-2015 respectively.

On defaults in repayment of principal amounts and interest along with other charges in respect of facilities availed by them, the bank under the circumstances has invoked the guarantees furnished by the parent company and call upon the demand of outstanding amount of Rs 19,490 Lakhs and Rs 33,793 Lakhs respectively together with interest and other charges vide demand notice reference no. YBL/CFUIBBANGALORE/2019-20/May/Nitesh/4 dated 10.06.2019 and YBL/CFUIBBANGALORE/2019-20/April/Nitesh/2 dated 12.04.2019 respectively.

During the earlier years, The Company in the process of discussion for settlement of liability as demanded by the bank and has accounted the demand as "Financial Guarantee Obligation" in the books of account, by considering the provision amount as expenses under the head "Exceptional Items" based on the credit worthiness of the subsidiaries as on the balance sheet date.

(iv) During the previous year, The Company has divested 100% of its holding in Lucetio Primary Manpower Private Limited (formerly knhown as Lob Facilities Management Private Limited). Consequent to said divestment Lucetio Primary Manpower Private Limited ceased to be the subsidiary of the Company as on 30 November 2023.

7 Inventories

Particulars	31-Mar-2025	31-Mar-2024
Land held under joint development arrangements (Refer note (i) below)	1,456	1,456
Land under Work in Progress	368	368
Properties under development	646	631
Less: Value of properties under development impaired (Refer note (ii) below)	(371)	(371)
Finished goods	68	91
Villa rights	728	728
Total	2,895	2,903
Trading in equity (Shares) (Refer note (iii) below)	-	-
Total	**2,895**	**2,903**

(i) includes payable to landowner for land under Joint Development Agreement (JDA) amounting Rs 1,456 Lakhs (PY - Rs. 1,456 lakhs) which is payable to land owners and disclosed in note no 17 under the head "Liability under joint development arrangement".

(ii) The Company has impaired the inventory amount of Hunter Valley project as the said project is under exit mode.

(iii) The Company has engaged in the business of purchase and sale of shares as per change in the object clause of the memorandum of association of the Company from earlier years.

8 Trade receivables

Particulars	Current	
	31-Mar-2025	31-Mar-2024
Classified as follows		
Trade receivables considered good-secured	-	56
Trade receivables considered good-secured-Related Party	-	-
Trade receivables considered good -unsecured (Note.17(ii))	1,872	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables -Credit Impaired	-	-
Trade receivables -Credit Impaired - Related Party	-	1,001
	1,872	1,057
Less: Loss allowance expected credit loss	-	1,002
Total Trade receivables	**1,872**	**55**

Trade receivables - Ageing 31-March-2025

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	1,871	-	-	-	1	1,872
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
Trade receivables -Credit Impaired - Related Party	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total Trade receivables	**1,871**	**-**	**-**	**-**	**1**	**1,872**

Trade receivables - Ageing 31-Mar-2024

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	4	-	-	51	1	56
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
Trade receivables -Credit Impaired - Related Party	-	-	-	-	1,001	1,001
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total Trade receivables	**4**	**-**	**-**	**51**	**1,002**	**1,057**

9(i) Cash and bank balances

Particulars	Current	
	31-Mar-2025	31-Mar-2024
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
- in current accounts	366	10
- in fixed deposits with banks	-	2
	366	**12**

9(ii) Other Financial Assets

Particulars	Non-current	
	31-Mar-25	31-Mar-24
Unsecured, considered good		
Other Bank balances	47	47
	47	**47**

(i) The Deputy Commissioner of Commercial Tax, DCCT (A&R) - 1.8, DVO-1 Yeshwantapur, Bengaluru, has issued Demand Notice dated 22-Oct-2018 for payment of Tax under KVAT ACT 2003 amounting to Rs 327 Lakhs including interest of Rs 174 Lakhs and penalty Rs 14 Lakhs.
For non-payment of demand as stated above the tax authority has frozen the following Bank accounts.

Banks	Balance as on 31 Mar 2025	Authority	Balance as on 31 Mar 2024	Authority
Axis Bank	2	VAT	2	VAT
Corporation Bank	-	VAT	-	VAT
HDFC Bank	42	VAT	42	VAT
Corporation Bank	-	VAT	-	VAT
Yes Bank	3	VAT	3	VAT
Total	**47**		**47**	

10 Other current assets

Particulars	Current		Non-current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
I)Advance towards JDA including Non- Refundable deposits				
Unsecured, considered good				
Advances paid towards Joint Development (Refer Note 10 (i) noted below)	10,587	10,588	-	-
II) Others				
a) Other Financial Assets				
a) Vendor advances	2	113	-	-
b) Advances for supply of goods and rendering of services				
- related parties (Refer note no. 26)	-	99	-	-
- others	598	335	-	-
Less: Advances - Impairment Loss	(538)	-		
c) Prepaid expenses	4	4		
d) Balances with government authorities	678	768	-	-
e) Receivable from related parties (Refer Note 10(ii) below)	1,509	1,470	-	-
Less: Allowance for doubtful advances	(1,033)	(1,045)	-	-
f) Security Deposits				
Unsecured, considered good				
Refundable deposit towards joint development agreement (Refer Note 10(iii) below)	1,166	1,166		
Security deposit to others	400	400	15	15
	13,373	**13,898**	**15**	**15**

i) Advances for land though unsecured, are considered good as the advances have been given based on arrangements / memorandum of understanding executed by the Company and the Company / seller / intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation.

ii) The Company has granted unsecured loans and advances of Rs. 1,033 lakhs (PY 1,045 lakhs) to its subsidiaries in the ordinary course of business for the furtherance of the business objectives of the Group as a whole. Such advances given to its subsidiaries are part of business policies and are not prejudicial to the interest of the Company.
As the subsidiary in the instant case has negative networth, the said advance of Rs. 1,033 lakhs has been provided in the books as indicated above.

iii) Amount paid by the company to the land owners for the land towards joint development of the property is recognised as deposit since it is refundable after completion of the project.

Satchmo Holdings Limited

Notes to the financial statements (Standalone) for the year ended 31 March 2025

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

11 Equity Share capital

Particulars	31-Mar-2025	31-Mar-2024
Authorised		
150,000,000 (Previous year: 150,000,000) Equity shares of Rs 10 each	15,000	15,000
	15,000	**15,000**
Issued, subscribed and fully paid shares		
145,832,100 (Previous year : 145,832,100) Equity shares of Rs.10 each	14,583	14,583
	14,583	**14,583**

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting period

Particulars	31-Mar-2025		31-Mar-2024	
	No of Shares	Amount	No of Shares	Amount
Equity shares				
At the beginning of the year	145,832,100	14,583	145,832,100	14,583
Add: Equity shares issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	**145,832,100**	**14,583**	**145,832,100**	**14,583**

b) Details of shareholders holding more than 5% shares in the Company

	31-Mar-2025		31-Mar-2024	
	No of Shares	% Holding	No of Shares	% Holding
Equity shares of Rs. 10 each fully paid up				
Nitesh Shetty, Managing Director	65,273,350	44.76%	65,273,350	44.76%

As per the records of the Company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

c) Shares held by promoters at the end of the year

Promoter name	% Change during the year	31-Mar-2025		31-Mar-2024	
		No. of Shares	% total shares	No. of Shares	%of total shares
Nitesh Shetty	0.00%	65,273,350	44.76%	65,273,350	44.76%

12 Other Equity

Particulars	31-Mar-2025	31-Mar-2024
RESERVES AND SURPLUS		
Securities premium	31,259	31,259
Retained earnings	(140,515)	(142,095)
	(109,256)	**(110,836)**
Security premium		
Opening balance - Security Premium	31,259	31,259
Add: addition during the year	-	-
Closing balance	**31,259**	**31,259**
Surplus in statement of profit and loss		
Opening balance	(142,095)	(142,447)
IndAS		
Add: profit/(loss) for the year	1,551	356
Other comprehensive income	29	(4)
Closing balance	**(140,515)**	**(142,095)**
Total Other Equity	**(109,256)**	**(110,836)**

13 Short-term borrowings

Particulars	Effective interest rate %	Maturity	31-Mar-2025	31-Mar-2024
Secured loans				
Current Borrowings				
Loan Repayable on Demand				
Term Loan assigned and transferred in favour of JC Flower Asset Reconstruction Private Limited	Refer Note (iv) below	Refer Note (iv) below	7,000	7,000
Term Loan from HDFC Bank and financial institutions	Refer Note (iv) below	Refer Note (iv) below	1,507	1,507
Total current Borrowings			**8,507**	**8,507**

Notes:

(i) The continuous loss and liquidity constraints of the company lead to non-payment of principal and non-servicing of interest, resulting all the borrowing accounts are falling under the classification of Non Performing Assets (NPA) by the Banks / Financial Institutions:

a) During the previous year, Yes Bank, pursuant to the execution of Assignment Agreement, have absolutely, assigned and transferred, unto and in favour of J C Flower Asset Reconstruction Private Limited (JCF ARC), the loans and all the amounts due and monies stipulated in or payable under the financing documents by the company to YES Bank together with all underlying security interests (including pledges, undertakings and/or guarantees thereto) and rights, title and interests in relation to the same.

b) HDFC bank has called upon the loan and issued notice under SARFAESI Act for recovery of their loan against the related projects.

c) The Company has accepted One Time Settlement proposal (OTS) dated 14 April 2023, as given by 1st Lender (JCF) for an amount of Rs. 8,500 lakhs. Company has already paid Rs. 1,500 lacs out of the said amount of 8,500 lakhs in this year. As per the OTS, the amount is to be settled within 180 days from the date of OTS. Company has also received OTS from 2nd Lender (HDFC) dated 6th June 2023 for an amount of Rs. 4,590 lakhs and Company has already paid Rs. 3,083 lakhs against the said OTS by the end of the year. Company has received Revocation letter from first lender in November 2023 and is in process of negotiation for extension of OTS. Post receipt of onetime settlement proposal (OTS) from the two lenders, Company has reclassified the loans payable at the OTS and the balance outstanding along with accrued interest for an aggregate amount of Rs. 48,233 lakhs as Disputed Liability as the bank has released its charge on such projects but the lender has not provided any confirmation to the effect.

d) A complaint was registered on the Company with NCLT on 12th September 2024 by JCF ARC for non-settlement of the said dues under section 7 of the Insolvency and Bankruptcy Code, 2016. The compliant was initially heard by the NCLT and further adjournments have been happening and the matter is under sub-judice of now and posted for hearing at a later date.

ii) The borrowings from bank and financial institution have been allocated to projects covered in the sanction letter based on cash flows related to the said projects. Further, post exit of projects and on receipt of NOC from bank and financial institution for clearance of charge, net amount outstanding as per books is transferred to disputed liability under note 14 which would be pending till the overall settlement of loan balance with bank and financial institution. Details of the same is given below.

HDFC Ltd

Project	Loan - Disputed liability	Balance loan outstanding	Interest - Disputed liability	Balance interest outstanding
Knightsbridge	(39)	-	257	-
Virgin Island	8,146	-	3,000	-
Chelsea	3,334	-	3,280	-
British Columbia	1,729	-	1,845	-
Hunter Valley	2,590	700	3,541	-
RIO	550	501	866	-
Long Island	495	306	758	-
	16,805	**1,507**	**13,547**	**-**

JC Flower Asset Reconstruction Private Limited / Yes Bank Ltd

Project	Loan - Disputed liability	Balance loan outstanding	Interest - Disputed liability	Balance interest outstanding
Nitesh Soho	3,970	3,000	1,443	-
Nitesh Plaza	8,740	4,000	3,728	-
	12,710	**7,000**	**5,171**	**-**
TOTAL	**29,515**	**8,507**	**18,718**	**-**

(iv) Details of security and terms of

Particulars	Amount outstanding 31-Mar-2025	31-Mar-2024	Interest rate	Security details	Repayment terms
Loan from Financial Institutions	1,507	1,507	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.65% per annum and the applicable rate for the said financial facility was 15% per annum for 1st tranche & 13.60% for 2nd tranche. The interest rate applicable as on date was 15.30% per annum.	i. Equitable mortgage of developer's share of area of the following projects ; - Nitesh Long Island - Nitesh RIO - Nitesh Hunter Valley ii. Personal guarantee of Mr. Nitesh Shetty. iii. PDCs for repayment of Principal Rs. 270 crores. v. Demand Promissory Notes.	Repayment starts from the begining of 37th Month from the date of first disbursement in 40 equal monthly installments.
Term Loan assigned and transferred from Yes Bank in favour of JC Flower Asset Reconstruction Private Limited during the FY 2022-23	3,000	3,000	4.3% ('spread) over and above the Bank's yearly MCLR. The interest rate applicable as on date was 14% per annum.	i.Exclusive charge on JDA rights on the property situated at Commissariate Road (Total land area - 89,000 sqft). ii. Exclusive charge on all borrower's share of development. iii. exclusive charge on borrower;s share of project receivables/cash flows. iv. Personal guarantee of Mr Nitesh Shetty. v. Blank ECS mandate duly signed.	Bullet repayment of entire amount at the end of 72 months
Term Loan assigned and transferred from Yes Bank in favour of JC Flower Asset Reconstruction Private Limited during the FY 2022-23	4,000	4,000	4.3% ('spread) over and above the Bank's yearly MCLR. The interest rate applicable as on date was 14% per annum.	i.Exclusive charge on JDA rights on the property situated at Ali Asker Road (Total land area 1,10,000 sqft). ii. Exclusive charge on all borrower's share of development. iii. Exclusive charge on all borrower's share of projects receivables/cashflows. iv. Personal guarantee of Mr Nitesh Shetty. v. Blank ECS mandate duly signed.	Bullet repayment of entire amount at the end of 72 months

14 Other financial liabilities

Particulars	Current		Non-current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Financial Guarantee Obligation [Refer Note No 6(iv)]	53,283	53,283	-	-
Disputed Liability (Refer note 14(i))	48,233	48,233	-	-
Disputed Liability - Others	32	32	-	-
Security deposit	-	-	18	18
Total other financial liabilities	**101,548**	**101,548**	**18**	**18**

14(i) The Company during the previous years had exited British Columbia project. The company entered in to One Time Settlement with the lenders against loan outstanding. Accordingly the Company has classified Rs. 48,233 Lakhs (PY - Rs. 48,233 Lakhs) as disputed liability as the lenders had released its charge on such projects but the lender has not provided any confirmation to the effect. The details for the same are provided below.

Name of Financial Institution	Principal Amount	Interest Amount	Total
Current Year			
HDFC Limited	16,805	13,547	30,352
JC Flower Asset Reconstructions Pvt Ltd (Yes Bank Ltd)	12,710	5,171	17,881
	29,515	**18,718**	**48,233**
Previous Year			
HDFC Limited	16,805	13,547	30,352
JC Flower Asset Reconstructions Pvt Ltd (Yes Bank Ltd)	12,710	5,171	17,881
	29,515	**18,718**	**48,233**

15 Provisions

Particulars	Current		Non-current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Provision for Gratuity	5	10	82	87
Provision for Compensated absences	5	7	31	33
	10	**17**	**113**	**120**

16 Deferred tax assets, net

Particulars	Current		Non-current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Deferred tax liability				
a) Revenue recognition under gross accounting method	-	-	-	-
Gross deferred tax liabilities (A)	-	-	-	-
Deferred tax asset				
a) Depreciation and amortization	-	-	-	-
b) Leave encashment and gratuity - deductible on payment	-	-	-	-
c) Fair valuation of security deposit-Assets	-	-	-	-
d) Provision for advances	-	-	-	-
Gross deferred tax assets (B)	-	-	-	-
Net deferred tax liabilities/(Assets) (A) - (B)	-	-	-	-

(a) Deferred Tax Assets has not been accounted for due to the absence of virtual certainty of taxable profit in the forseeable future as estimated by the management against which the Deferred tax assets can be adjusted / utilised.

17 Other current liabilities

Particulars	Current		Non-current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Liability under joint development arrangement (Refer Note 17(i) noted below)	1,456	1,456	-	-
Advance received from Related parties for sale of properties [Refer Note no 29]	1,707	1,317	-	-
Advance received from customers for sale of properties	2,258	832	-	-
Other Liability (Refer note 17(ii))	1,928	-	-	-
Other payable	54	54	-	-
Interest payable on Statutory dues	545	435	-	-
Accrued salary	53	22	-	-
Withholding taxes payable	1,463	1,445	-	-
Sinking Fund	69	77	-	-
	9,533	**5,638**	**-**	**-**

17 (i) The Company had entered into the Joint Development Agreement (JDA) with land owners for development of the properties at its own cost of development and for the consideration of the land of the land owner, the company shares the residential flats or revenue from the commercial property as per jointly agreed terms and conditions of the agreement. The land acquired by the company from the land owner was initially recorded in the books of account at the estimated cost of construction for the share of the property to be handed over to land owner on completion of the construction / development of the property.

17(ii) This relates to maintenance charges relating to a project and the Company is in the process of reconciliation with the respective customers. Revenue has not been recognised on conservative basis considering pending reconciliation of the same.

18 Trade payables

Particulars	Current	
	31-Mar-2025	31-Mar-2024
(a) Total outstanding dues of micro and small enterprises (Refer note 35 for details of dues to micro and small enterprises)	4	3
Total	**4**	**3**
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- to related parties	-	162
- to others	2,752	6,426
Total	**2,752**	**6,588**
Total of Trade Payable	**2,756**	**6,591**

Trade payables - Ageing (31-Mar-2025)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME Dues	4	-	-	-	4
Related Parties Dues	-	-	-	-	-
Others Dues	222	188	164	2,108	2,682
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	5	65	70
Total Trade payables	**226**	**188**	**169**	**2,173**	**2,756**

Trade payables - Ageing (31-Mar-2024)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME Dues	1	1	1	-	3
Related Parties Dues	4	1	2	142	149
Others Dues	148	63	2,242	3,825	6,278
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	27	6	8	120	161
Total Trade payables	**180**	**71**	**2,253**	**4,087**	**6,591**

18 (i) The company has disputed vendor liabilities to the extent of Rs. 70 lakhs during the year and Rs. 161 lacs during the previous year. Accordingly the same has been classified as Disputed Liability.

19 Current tax liabilities, net

Particulars	Current	
	31-Mar-2025	31-Mar-2024
Provision for Income Tax	1,244	1,244
TDS Receivable	(114)	(109)
	1,130	**1,135**

The Company has reviewed the present status of income tax payable as on 31 March 2025. Accordingly, advance tax, TDS receivable and provision for tax has been accounted for.

20 Revenue from operations

Particulars	31-Mar-2025	31-Mar-2024
Income from property development	94	856
Income from Sale of projects	-	984
Income from sale of shares - Refer note (i) below	1	47
Income from Facilities management - Refer note (ii) below	64	42
	159	**1,929**

(i) The Company has engaged in the business of purchase and sale of shares as per change in the object clause of the memorandum of association of the Company during the previous year.

(ii) The Company has started facility management service from December 2023 onwards.

21 Other income

Particulars	31-Mar-2025	31-Mar-2024
Interest Income		
- from others	371	461
Income from sale of fixed assets	-	17
Provisions no longer required written back	-	6,467
Business Service Charges	-	24
Sundry balance written back	-	612
	371	**7,581**

22 Land and construction cost

Particulars	31-Mar-2025	31-Mar-2024
Cost for sale of flats	35	542
Cost for sale of projects	-	3,971
Cost on sale of shares	1	45
Facilities mangagement cost	47	36
	83	**4,594**

23 Employee benefits expense

Particulars	31-Mar-2025	31-Mar-2024
Salaries, wages and benefits	711	655
Contribution to provident and other funds	16	17
Staff welfare expenses	5	5
	732	**677**

24 Finance costs

Particulars	31-Mar-2025	31-Mar-2024
Interest expenses	-	14
Processing fees and other bank charges	1	3
	1	**17**

(i) Finance cost includes Rs. Nil (PY - Rs 4.26 Lakhs) towards "Interest on Micro Small and Medium Enterprises [MSME]" and Rs. Nil (PY - Rs. 10 Lakhs) "Interest on customer refund as per the orders passed by RERA"

25 Depreciation and amortization expense

Particulars	31-Mar-2025	31-Mar-2024
Depreciation of property, plant and equipment	9	11
Amortization of intangible assets	1	-
	10	**11**

26 Other expenses

Particulars	31-Mar-2025	31-Mar-2024
Payments to auditors - Refer note (i) below	14	15
Power and fuel	3	7
Rent	-	8
Rates and taxes	230	160
Insurance	-	11
Repairs and maintenance:		
Plant and machinery	7	10
Office maintenance expenses	4	4
Advertising and sales promotion	26	16
Lease rent-vehicles	13	5
Travel and conveyance	10	12
Communication expenses	4	11
Directors' sitting fees	6	13
Loss on Sale of Fixed Assets	-	1
Business Development expense	39	79
Legal and professional expenses	46	205
Impairment Loss provision on Investment (Interest on Preference shares)	371	326
Impairment Loss provision on Work in Progress (Refer Note 7(ii))	-	371
Impairment Loss of Advances	538	-
Sundry balances written off	-	1,609
Dislocation Charges	9	-
Un-used assets written off	10	-
Miscellaneous expense	48	47
	1,378	**2,910**

Note (i) - Payments to auditors

Particulars	31-Mar-2025	31-Mar-2024
As an auditor:		
Statutory audit fees	10.00	10.00
Limited review fees	4.00	4.00
Tax audit fees	-	1.00
	14.00	**15.00**

(ii) As per section 135 of the Companies Act, provisioning of CSR expenditure is not required.

(iii) Rates and taxes
Rates and taxes includes, Rs. 111 Lakhs (PY - Rs. 100 Lakhs) of interest provided on statutory dues.

27 Exceptional items

Particulars	31-Mar-2025	31-Mar-2024
Impairment Loss/ (reversal) of Subsidiary balance	(12)	1,045
Loss on impairment of subsidiary (Ref Note No. (i))	-	27
Profit on sale of Investment in subsidiary (Ref Note No. (i))	-	(17)
Sundry balance written back	(3,022)	-
Provisions no longer required written back	(320)	-
Sundry balances written off	129	-
	(3,225)	**1,055**

Note (i) During the previous year, one of the subsidiary - Lucetio Primary Manpower Private Limited (formerly known as Lob Facilities Management Private Limited) is divested. The investment of Rs. 30 lakhs was reduced at net realisable value at Rs. 3 lakhs as per valuation report and later on sold to an unrelated party at Rs. 20 lakhs. Same has been disclosed accordingly.

Satchmo Holdings Limited

Notes to the financial statements (Standalone) for the year ended 31 March 2025

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

28 Income tax

Particulars	31-Mar-2025	31-Mar-2024
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of income tax of earlier years	-	(110)
Deferred tax:		
Decrease / (Increase) in deferred tax assets	-	-
(Decrease) / Increase in deferred tax liabilities	-	-
	-	-
Less : Recognised in OCI	-	-
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	**-**	**(110)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2024 and 31 March 2025:

Particulars	31-Mar-2025	31-Mar-2024
Accounting profit before income tax	**1,551**	**246**
At statutory income tax rate as applicable		
Non-deductible expenses for tax purposes:	-	-
Adjustment on account of depreciable assets	-	-
Tax effect of amounts which are not taxable in calculating taxable income:		
Provision for doubtful debts	-	-
Other adjustments	-	-
Other differences:		
	-	-

Reconciliation of deferred tax liabilities (net) (refer note 16(a))

Particulars	31-Mar-2025	31-Mar-2024
Opening balance	-	-
Deferred tax (credit)/charge during the period recognised in Profit & Loss		-
Deferred tax (credit)/charge during the period recognised in OCI	-	-
Others	-	-
Closing balance	**-**	**-**

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

29 Related Party Disclosure

a. List of related parties

In accordance with the requirements of Indian Accounting Standards (Ind AS) - 24 'Related Party Disclosure' the names of the related party where control exists / enable to exercise significant influence along with the aggregate transactions and year-end balance with them in the ordinary course of business and on arms' length basis are given below:

Key Management Personnel(KMP) of the Company.

Nitesh Shetty [Chairman and Managing Director]

S. Ananthanarayanan [Independent Director]

L.S.Vaidyanathan [Executive Director]

Prasant Kumar [Company Secretary & Chief Compliance Officer]

Krishna Kumar N G [Independent Director]

Gayathri M N [Independent Director]

Ramesh Karur Raghavendran [Executive Director Finance & Chief Financial Officer] [From 16 April 2024]

Rajeev Khanna [Executive Director Finance & Chief Financial Officer] [Till 16 April 2024]

Subsidiaries

Northroof Ventures Private Limited

Marathalli Ventures Private Limited

Satchmo Foods Private Limited

Enterprises in which Key Management Personnel have Joint Control or Significant Influence or directorship with whom transactions have taken place during the year

Nitlogis Private Limited (CIN:U74110KA2007PTC109211)

Nitesh Infrastructure and Construction

Piliventura Technologies Private Limited {(formerly known as Pushrock Environment Private Limited) (CIN:U62099KA2009PTC051756)}

Nitesh Residency Hotels Private Limited (CIN:U55101KA2006PTC041203)

Bieven Technology Private Limited {(formerly known as Southern Hills Developers Private Limited) (CIN:U70102KA2006PTC040789)}

Siveda Networks Private Limited {(formerly known as Nisco Ventures Private Limited) (CIN:U07010KA2002PTC031412)}

NIRPL Ventures Private Limited (CIN:U45201KA2007PTC042660)

b. Related party transactions

Particulars	31-Mar-2025	31-Mar-2024
Loans and advances (received) / paid		
Marathalli Ventures Private Limited	(634)	(153)
Northroof Ventures Private Limited	(12)	816
Satchmo Foods Private Limited	16	-
Reimbursement of expenses and Advances, net		
Nitlogis Private Limited	81	-
Advances received from customers		
Piliventura Technologies Private Limited (formerly known as Pushrock Environment Private Limited)	117	468
Nitesh Infrastructures & Contruction Private Limited	-	17
NIRPL Ventures Private Limited	38	5,219
Managerial remuneration		
Nitesh Shetty	-	-
L.S.Vaidyanathan	-	-
Rajeev Khanna	-	62
Ramesh Karur Raghavendran	62	-
Prasant Kumar	24	21

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

Directors' sitting fees		
S.Ananthanarayanan	2	5
Gayathri M N	2	5
Krishna Kumar NG	2	4
Trade receivable written off, net		
Nitesh Residency Hotels Private Limited	451	-
Maintenance charges Billed		
Nitesh Infrastructure & construction	8	4
Maintenance charges Received		
Nitesh Infrastructure & construction	8	4
Sinking Fund Received		
Nitesh Infrastructure & construction	-	6
Other advances- Refunded		
Siveda Networks Private Limited (formerly known as Nisco Ventures Private Limited)	99	-

c. Amount outstanding at the balance sheet date

Particulars	31-Mar-2025	31-Mar-2024
Loans and advances (received)/paid		
Northroof Ventures Private Limited	1,033	1,045
Nitlogis Private Limited	461	380
Satchmo Foods Private Limited	16	-
Marathalli Ventures Private Limited	(811)	(176)
Trade receivables		
Nitesh Residency Hotels Private Limited	-	1,001
Customer Advances received, net		
Piliventura Technologies Private Limited (formerly known as Pushrock Environment Private Limited)	272	155
NIRPL Ventures Private Limited	624	586
Other Advances paid, net		
Siveda Networks Private Limited (formerly known as Nisco Ventures Private Limited)	-	99
Trade payables		
Nitesh Residency Hotels Private Limited	-	149
Advance Maintenance charges / Sinking fund Received		
Nitesh Infrastructure & construction	6	6
Managerial remuneration Payable		
Nitesh Shetty	-	-
L.S.Vaidyanathan	-	-
Rajeev Khanna	-	-
Ramesh Karur Raghavendran	4	-
Prasant Kumar	1	2
Directors' sitting fees Payable		
Krishna Kumar N G	1	6
Gayathri M N	-	2
S. Ananthanarayanan	2	5
Other Advances received from customers towards contract		
Nitesh Residency Hotels Private Limited	-	400
Guarantees given on behalf of the company already invoked by Bank		
Marathalli Ventures Private Limited	18,500	18,500
Northroof Ventures Private Limited	31,500	31,500

Note: Amount shown as "0" is below the rounding off norm adopted by the company.

Satchmo Holdings Limited

Notes to the financial statements (Standalone) for the year ended 31 March 2025

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

30	Ratios	References	31-Mar-2025	31-Mar-2024	% Variance	Reasons if variance is more than 25%
(a)	Net Current Assets	As per Balance Sheet	18,506	16,868		
	Net Current Liabilities	As per Balance Sheet	123,484	123,436		
	Current Ratio		**0.15**	**0.14**	**-7.14%**	
(b)	Total Debt	As per note 13	8,507	8,507		
	Total Equity	As per note 11	14,583	14,583		
	Debt-Equity Ratio		**0.58**	**0.58**	**0.00%**	
(c)	**Debt Service Coverage Ratio**		NA	NA		The Company is in the process of settling the debts with the. Bank and accordingly no debt was serviced during the year
(d)	Net profit after Tax	As per Statement of Profit and Loss	1,551	356		The Company has exited few Real estate projects in the previous year and accordingly the profitability has changed comparative to the current year and also due to Other Income there is an impact in the Ratio
	Average shareholder's equity*	As per Balance Sheet	(94,673)	(96,253)		
	Return on Equity Ratio		**(0.02)**	**(0.00)**	**-342.95%**	
(e)	Revenue from operations	As per note 19	159	1,929		One of the project is exited during the year, resulting in reduction in inventory amount.
	Average Inventory*	As per note 7	2,899	7,641		
	Inventory turnover ratio		**0.05**	**0.25**	**78.27%**	
(f)	Revenue from operations	As per note 19	159	1,929		Due to decline in operational performance, Trade receivable ratio has impacted.
	Average Trade Receivables*	As per note 8	964	86		
	Trade Receivables turnover ratio		**0.17**	**22.31**	**99.26%**	
(g)	**Trade payables turnover ratio**		NA	NA		
(h)	Revenue from operations	As per note 19	159	1,929		Due to decline in operational performance, the working capital utilisation have reduced.
	Average Working Capital		(105,773)	(106,699)		
	Net capital turnover ratio		**(0.00)**	**(0.02)**	**91.69%**	
(i)	Net profit after Tax	As per Statement of Profit and Loss	1,551	356		Due to decline in operational performance, the operational expenses have reduced and also due to certain Other Income resulting in increase in Net profit ratio.
	Revenue from operations	As per note 19	159	1,929		
	Net profit ratio		**9.75**	**0.18**	**-5185.63%**	
(j)	EBIT	As per Statement of Profit and Loss	(1,673)	1,318		Due to decline in operational performance, the operational expenses have reduced and also due to certain Other Income resulting in increase in Return on capital employed.
	Capital Employed (Total Tangible Assets + Inventories)	As per Balance Sheet	13,265	13,291		
	Return on Capital employed		**(0.13)**	**0.10**	**227.18%**	
(k)	Profit before Tax	As per Statement of Profit and Loss	1,551	246		Due to decline in operational performance, the operational expenses have reduced and also due to certain Other Income resulting in change in ratio.
	Total Investment (Net Equity + Borrowings)	As per Balance Sheet	(86,166)	(87,746)		
	Return on investment		**(0.02)**	**(0.00)**	**-542.05%**	

*Average refers to [(opening balance + closing balance)/2]

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

31 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Particulars	As at 31st March 2025		As at 31st March 2024	
	Fair value through OCI	Amortised Cost	Fair value through OCI	Amortised Cost
Financial assets				
Investments (Refer note 6(iii))	-	1	-	-
Trade Receivables	-	1,872	-	55
Cash and Cash equivalents	-	366	-	12
Other Financial asset	-	47	-	47
	-	**2,286**	**-**	**114**
Financial liabilities				
Non-current borrowings	-	-	-	-
Current -borrowings	-	8,507	-	8,507
Trade payables	-	2,756	-	6,591
Security deposits		18	-	18
Other financial liability	-	101,548	-	101,548
	-	**112,829**	**-**	**116,664**

<u>*Notes:*</u>

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

The details of fair value measurement of Company's financial assets/liabilities are as below:

Particulars	Level	31-Mar-2025	31-Mar-2024
Financial assets/liabilities measured at fair value through OCI:			
Investment in equity instruments of Other company	3	-	-

The management assessed that the carrying values of cash and cash equivalents, trade receivables, deposits, trade payables, borrowings, Financial Guarantee obligations and other financial assets and liabilities approximate their fair values largely due to the short-term maturities.

Satchmo Holdings Limited

Notes to the financial statements (Standalone) for the year ended 31 March 2025

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

32 Gratuity and other post-employment benefit plans

Particulars	31-Mar-2025	31-Mar-2024
Defined Benefit Plan		
Gratuity		
Non Current - Unfunded	82	87
Current - Unfunded	5	10
	87	**97**
Leave Encashment		
Non Current	31	33
Current	5	7
	36	**40**

The Company has a defined benefit gratuity plan (unfunded) as at 31st March 2025 and as at 31st March 2024. The Company's defined benefit gratuity plan is a final salary plan.

a) **a) Gratuity - (Unfunded)**

As at 31st March 2025 the Gratuity plan of the company is unfunded. The company is only making book provision for the entire Gratuity liability on the valuation and follows"pay as you go" system to meet the liabilities as and when they fall due. Therefore, the scheme fully unfunded, and no assets are maintained by the company and asset values are taken as zero; there is a liquidity risk in that thay may run out of cash.

b) Cost of Long term benefit by way of accumulated compensated absence arising during the service period of employees is calculated based on cost of service and the pattern of leave availment. The present value of obligation towards availment under such long term benefit is determined based on the actuarial valuation carried on by an Independent Actuary using projected limit credit method as at the close of accounting period. The Company is providing liability as per actuarial valuation in its books of account as the plan is not funded.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i. Changes in the defined benefit obligation and fair value of plan assets as at 31st March 2025 (As per the latest available Actuarial Report)

Particulars	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	1st April 2024	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31st March 2025
Defined benefit obligation	97	12	7	19	-	-	-	-	(29)	(29)	-	87
Fair Value of plan assets	-	-	-		-	-	-	-	-	-	-	-
Benefit liability	**97**	**12**	**7**	**19**	**-**	**-**	**-**	**-**	**(29)**	**(29)**	**-**	**87**

ii. Changes in the defined benefit obligation and fair value of plan assets as at 31-Mar-2024:

Particulars	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	1st April 2023	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31st March 2024
Defined benefit obligation	87	12	6	18	(12)	-	-	-	4	4	-	97
Fair Value of plan assets	-	-	-		12	-	-	-	-	-	(12)	-
Benefit liability	**87**	**12**	**6**	**18**	**-**	**-**	**-**	**-**	**4**	**4**	**(12)**	**97**

iii The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	31st March 2025	31st March 2024
Fund Managed by Insurer	0%	0%

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

iv. The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the Group's plans are shown below:

Particulars	**31-Mar-2025**	**31-Mar-2024**
Discount rate	6.88%	7.22%
Future salary increases	6.00%	6.00%
Attrition Rate	10.00%	10.00%
Expected rate of return of assets	-	-
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian assured lives mortality(2012-14) (ultimate)
Withdrawal rate	-	-
- from age 50	7.50%	7.14%
- from age 55	5.00%	4.76%
-from age 60	2.50%	2.38%
-from age 65	1.25%	1.19%

v. A quantitative sensitivity analysis for significant assumption as at 31st March 2025 is as shown below:

	31-Mar-2025				**31-Mar-2024**			
Asssmumtions	Discount Rate		Salary Growth Rate		Discount Rate		Salary Growth Rate	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Sensitivity Level	+100 basis point	-100 basis point	+100 basis point	-100 basis point	+50 basis point	-50 basis point	+50 basis point	-50 basis point
Impact on defined benefit obligation - Gratuity	-5.99%	6.74%	6.40%	-5.90%	-5.98%	6.74%	6.40%	-5.89%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

vi. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	**31-Mar-2025**	**31-Mar-2024**
Year 1	5	10
year 2	5	10
year 3	7	5
year 4	6	6
year 5	14	6
year 6 to 10	22	34
above 10 years	27	26
Total expected payments	**87**	**97**

vii. The defined benefit obligations have the undermentioned risk exposures-

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short caring employees will be less compared to long service employees.

33 Earnings per share ['EPS']

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31-Mar-2025	31-Mar-2024
Profit after tax attributable to shareholders (Amount in Rs. Lakhs)	1,551	356
Weighted average number of Equity Shares outstanding during the year	145,832,100	145,832,100
Effect of dilution:		
Weighted average number of Equity Shares	145,832,100	145,832,100
Basic and Diluted Earnings Per Share (Rs.) (Face value of Rs 10 per share)	1.06	0.24

34 Contingent Liabilities

The company has contingent liabilities at 31 March 2025 in respect of:

a (i). Claims against the company pending appellate/ judicial decision and not acknowledged as debts:

Particulars	31-Mar-2025	31-Mar-2024
Claims against the company not acknowledged as debts in respect of		
Income-tax	315	330
Value Added Tax	274	274
GST	-	912
	589	**1,516**

(ii) Following is the summary of financial exposure of cases filed against the company by customers,vendors and other business associates:

Customers-		
a. Compensation for delay of project	-	9
Vendors		
Seeking Recovery of Dues	47	128
Lendors		
a. Penal interest on loan outstanding	-	-
	47	**136**

35 Disclosure as required under Micro Small and Medium Enterprises Act , 2006 (MSME Act)

Particulars	31-Mar-2025	31-Mar-2024
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	4	3
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	77	77
c. The amount of interest due and payable for the year	-	4
d. The amount of interest accrued and remaining unpaid at the end of the accounting year	77	77
e. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note : The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 is disclosed to the extent such parties have been identified on the basis of the information available with the company.

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

36 Financial instruments- accounting classification and fair value measurement.

The carrying values of trade and other receivables, other assets, cash and short term deposits, trade and other payables, based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are re-priced frequently.

Company's assets and liabilities which are measured at amortised cost

	31-Mar-2025		31-Mar-2024	
	Carrying Value	**Amortised cost**	**Carrying Value**	**Amortised cost**
Financial assets				
Trade Receivables	1,872	1,872	55	55
Cash and Cash equivalents	366	366	12	12
Security deposits	15	15	15	15
Refundable deposit towards joint development agreement	1,566	1,566	1,566	1,566
	3,819	**3,819**	**1,648**	**1,648**
Financial liabilities carried at amortized cost:				
Long-term borrowings	-	-	-	-
Short-term borrowings	8,507	8,507	8,507	8,507
Trade payables	2,756	2,756	6,591	6,591
Other financial liabilities	101,548	101,548	101,548	101,548
	112,811	**112,811**	**116,646**	**116,646**

37 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the acquisition and Company's real estate operations. The Company's principal financial assets include Trade Receivable, cash and cash equivalents that derive directly from its operations and refundable deposits which is given on aquiition of land to land owners.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at 31 March 2025 and 31 March 2024. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt.

The analyses exclude the impact of movement in market variables on: the carrying values of gratuity and other post retirement obligations; and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

1. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2025 and 31 March 2024.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

	Increase/decrease in basis points	Effect of profit before tax (Rupees in Lakhs)
31-Mar-2025		
Change	+50	0
Change	-50	0

	Increase/decrease in basis points	Effect of profit before tax (Rupees in Lakhs)
31-Mar-2024		
Change	+50	0
Change	-50	0

iii. Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Financial Instrument and Cash Deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and loans are given only within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2025 and 31 March 2024 is the carrying amounts.

iv. Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 1	1 to 2 years	2 - 3 years	> 3 years	Total
Year ended 31-Mar-2025						
Borrowings	8,507	-	-	-	-	8,507
Trade and other payables		226	188	169	2,173	2,756
Financial Gurantee Obligation	53,283	-	-	-	-	53,283
Year ended 31-Mar-2024						
Borrowings	8,507	-	-	-	-	8,507
Trade and other payables		180	71	2,253	4,100	6,604
Financial Gurantee Obligation	53,283					53,283

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

38 DISCLOSURES UNDER REGULATION 34 (3) AND 53(F) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

LOANS AND ADVANCES IN THE NATURE OF LOANS GIVEN TO SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER ENTITIES IN WHICH THE DIRECTORS ARE INTERESTED:

Name of the Party	Relation	31-Mar-2025		31-Mar-2024	
		Closing balance	Maximum amount due	Closing balance	Maximum amount due
Northroof Ventures Private Limited	100% Subsidiary	1,033	1,045	1,045	1,045
Marathalli Ventures Private Limited	100% Subsidiary	(811)	(811)	(176)	(176)
Nitlogis Private Limited	Other Entities in which the Directors are interested	461	461	380	380
Satchmo Foods Private Limited	100% Subsidiary	16	16	-	-
Pushrock Environment Private Limited	Other Entities in which the Directors are interested	272	272	155	155
Nisco Ventures Private Limited.	Other Entities in which the Directors are interested	-	-	99	99
NIRPL Ventures Private Limited	Other Entities in which the Directors are interested	(624)	(624)	(586)	(586)

39 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio minimal. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

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

	31-Mar-2025	31-Mar-2024
Borrowings	8,507	8,507
Trade payables	2,756	6,591
Less: Cash and cash equivalents and other bank balances	(366)	(12)
Net debt[A]	**10,897**	**15,086**
Equity Share Capital	14,583	14,583
Other Equity	(109,256)	(110,836)
Equity [B]	**(94,673)**	**(96,253)**
Equity plus Net Debt[C=A+B]	**(83,776)**	**(81,167)**
Gearing ratio[D=A/C]	**-13%**	**-19%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

The company has defaulted in repayment of dues to debenture holders and banks/financial institutions which includes overdue Principal and interest as on Balance Sheet date. [Refer Note no 13]

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2025 and 31st March 2024.

40 Recent Pronouncements

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standard) Rules, as issued from time to time. For the year ended 31 March 2025, MCA has notified IND AS 117 Insurance Contracts and amendments to IND AS 116 Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f 1 April 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

41 As per para 4 of Indian Accounting Standard (Ind AS) 108 - Operating Segments, if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Ind AS as well as the parent’s separate financial statements, segment information is required only in the consolidated financial statements. Hence segment information as required under Ind AS 108 - Operating Segments is given in the Consolidated Ind AS financial statements of the Company.

42 For the residential projects (British Colombia and Hunter Valley) launched in prior to the effective date of RERA Act. Pending approval of sanction plan and certificate of commencement as well as prevalent adverse market condition of real estate business, the company has not registered the said projects under RERA Act. The Company has exited from British Columbia project during the FY 2023-24 and is in the process of exiting Hunter Valley project.

43 Sale of projects

During the Year 2024-25

During the month of March 2025 the Company signed an MOU with a New Developer for exiting Plaza and Soho real estate projects and has also received initial advance for the same.

During the Year 2023-24

During the year the Company had exited British Columbia project and had cleared the loan in relation to the project.

44 Going Concern

These financial statements have been prepared on a going concern basis notwithstanding accumulated losses as at the balance sheet date and a negative net current assets situation. As per the management with these exits of residential projects and the debt coming down, the company is hopeful of revival in the coming years.

These financial statements therefore do not include any adjustments relating to recoverability and classification of asset amounts or to classification of liabilities that may be necessary if the Company is unable to continue as a going concern.

45 Prior year comparatives

The figures of the previous year have been regrouped / reclassified, where necessary, to conform with the current year's classification.

for KAMG & ASSOCIATES
Chartered Accountants
Firm registration number: 311027E

Amitabha Niyogi
Partner

Membership No. 056720
UDIN :25056720BMJTAO8768

Place: Bangalore
Date: 30 April 2025

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Nitesh Shetty
Chairman and Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director & Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Consolidated Accounts

INDEPENDENT AUDITOR'S REPORT

To
The Members of Satchmo Holdings Limited
Report on the Audit of the Consolidated Financial Statements

Adverse Opinion

We have audited the accompanying consolidated financial statements of **Satchmo Holdings Limited** (hereinafter referred to as "the Holding Company"), and its subsidiaries Northroof Ventures Private Limited, Marathalli Ventures Private Limited and Satchmo Foods Private Limited (incorporated on January 28, 2025) (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2025, the Consolidated Statement of Profit and Loss (including Other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Adverse Opinion paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and due to the significance of matter described in the Basis for Adverse Opinion paragraph given below, the accompanying consolidated financial statements do not give a true and fair view of the financial position of the Group, in conformity with the Indian Accounting Standards (Ind AS), prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and its consolidated profit, consolidated comprehensive income, consolidated changes in equity and its consolidated cash flow for the year ended on that date.

Basis for Adverse Opinion

The Group has incurred losses over the years resulting in negative net worth and negative working capital. The default in payment of dues to bank and financial institution and creditors etc. are the identified events that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern. The consolidated financial statements do not adequately disclose this fact.

The Group has stepped back / separated from certain projects under development and has transferred those projects to other developers/landowners through Memorandum of Understanding (MOU) or Business Transfer Agreement (BTA) and repaid some portion of loans from bank and financial institution. Although these transactions have reduced the liability of the Group to bank and financial institution, the ability of the Group to continue as a going concern continues to remain uncertain in view of the negative net worth.

As the Group has not recognized this fact and has prepared the consolidated financial statements on going concern assumption basis without carrying out any adjustments, in our opinion, the consolidated financial statements may not give a true and fair view (Refer Note No. 43 of the consolidated financial statements)

Other matters that require a modification to the opinion;

1. Year-end balance confirmation in respect of trade receivables, trade payables, vendor advances, advance from customers and other advances have not been provided for our verification and record for all the parties. In the absence of such confirmation, we are unable to ascertain any consequential effect of the above to the consolidated financial statements for the year. As explained, necessary mails have been sent to some of the parties for confirmation. However, no replies have been received in this regard except in few cases.

2. As per the records of the Group and information and explanations provided to us, the Group has been irregular in depositing the undisputed statutory dues, including provident fund, income-tax, value-added tax, Goods and Services tax, cess, etc.

   The Group also has a receivable balance of Rs. 904.84 Lakhs and a payable balance of Rs. 385 Lakhs (excluding interest and disputed VAT liability under appeal) from/ to various government authorities. Due to such statutory non-compliance, we are unable to comment on the actual recoverability and payment of the dues against such balances. The Group is yet to deposit to the Income Tax Department the tax deducted from vendors amounting Rs 228 lakhs and is an assessee in default by virtue of Income Tax Act.

3. Necessary documents with respect to certain advance payments to vendors and receipts from vendors/customers and movement in balance during the period were not made available for our verification which include a balance payable to a former subsidiary by the Holding Company amounting Rs 624 lakhs out of which Rs 40 lakhs was received during the year the purpose and details of which were not made available to us by the management. Consequently, we are unable to comment on such transactions and balances.

4. Inventories amounting to Rs 21787 Lakh (Net of "Payable to land owner for land under JDA" and impairment provision) has not been tested for impairment for ascertaining the realizable value as on 31st March, 2025. To the extent of any possible diminution of value not accounted for, the consolidated financial statements may not give a true and fair view as per the requirement of Ind AS 2 (Refer to Note 8 of the consolidated financial Statements for the year).

5. The Group had written off old debit balances and also written back old payables in the year ended 31 March 2025 amounting Rs 305 lakhs and Rs 3,681 lakhs respectively as the same are considered unrealizable and without any claim for payment over a considerable period of time. Supporting documents were mostly not made available to us as audit evidence for our verification and record in regard to such write offs/write backs as mentioned.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our adverse opinion on the consolidated financial Statements.

Emphasis of Matter

We draw attention to the facts mentioned below :

(a) The Group had entered into One-time Settlements (OTS) with J.C. Flowers Asset Reconstruction Pvt Ltd (JCF ARC) (assigned by YES Bank) and HDFC Limited vide Letters dated 14th April, 2023 and 6th June, 2023 respectively as per which, the Group has to repay the amounts mentioned in the settlement letters in a time-bound manner. In the event the Group defaults on the mentioned timelines or any other payment terms, the said settlement approvals would stand revoked.
However, the Group had defaulted on the timelines of the payment under OTS with respect to both the lenders. Subsequently, a notice was received on 23rd November, 2023 from JCF ARC revoking the above-mentioned OTS and was called upon to repay outstanding dues along with applicable interest charges, costs, etc. with effect from the date of notice aforementioned.
On this basis, the Group has disclosed Rs. 13,385 Lakh under Current Borrowing (being the OTS outstanding balance of JCF ARC and HDFC) and Rs. 1,11,664 Lakh under Disputed Liability (being the difference between original loan and interest liability and OTS outstanding balance) as on 31st March, 2025. (Refer Note no. 15 and Note no. 16 (i) of the Consolidated Financial Statements)

As explained, the Group is in communication with the lenders for seeking an extension for the balance payment therefore has not booked any further liability on the basis of such demand from JCF ARC.
No information / document is made available for subsequent correspondence after the revocation in case of HDFC Limited.

The Holding Company had, on 22nd July, 2024, informed SEBI as per Regulation 30 of SEBI (LODR) Regulations, 2015 about the institution of proceeding under section 7 of the Insolvency and Bankruptcy Code, 2016 by JC Flower Asset Reconstruction Company (Financial Creditor) against the Company (Corporate Debtor) before the National Company Law Tribunal regarding their outstanding due against the term loan amounting Rs.38,595 Lakhs.

Based on the above, the complaint was registered with NCLT on 12th September 2024 and the Tribunal had issued an interim Order on 1st October, 2024 under section 7 of the Insolvency and Bankruptcy Code, 2016 for serving notice to the Respondent Company and the responsible person of Satchmo Holdings Limited which may have an impact on the going concern status of the Holding Company in the foreseeable future. The Holding Company was heard by the NCLT and the Order was delivered on 27th November

2024 where the Respondent (the Holding Company) was granted three weeks time to file objection and one week time granted to Petitioner (J.C. Flowers Asset Reconstruction Pvt Ltd) to file rejoinder. As per the Order delivered the matter was listed on 07th January 2025 and presently, the subject matter stands listed for hearing on June 6, 2025 after adjournments on 14th April, 2025 and 21st April, 2025. Further information on the status of this NCLT matter was not made available.

(b) The Holding Company had, during the current financial year, signed a share purchase agreement for divesting its equity investment in Northroof Ventures Private Limited and full sale consideration has already been received in the first quarter of the financial year. However, the other conditions as per the agreement are still in the process of execution as the shares are held as lien by JC Flower Asset Reconstruction Company, a creditor. Once all the liabilities are settled, we are informed that share transfer execution shall be completed.

As of the reporting date, the balance receivable from Northroof Ventures Private Limited is Rs. 1,033 Lakhs, which has been impaired due to the negative net worth of Northroof Ventures Private Limited.

(c) During the financial year, the Holding Company had entered into a memorandum of understanding with a new developer on 28th March, 2025 for transferring its development rights, interest and entitlements relating to projects Plaza (situated at Ali Asker Road measuring 106513 square feet) and Soho (situated at Commissariat Road, near Bangalore Centre measuring 89300 square feet) and advances of Rs 300 lakhs and Rs 50 lakhs were received on 29th March, 2025 towards the said projects Plaza and Soho respectively from the new developer. (Refer to Note 4a. of the consolidated financial statements)

In this context it is pertinent to mention that the Holding Company is yet to decide on the JDA Rights acquired in 2022-23 in the Project at Commissariat Road in exchange for advance receivable along with its subsidiaries for an amount of Rs. 10,311 Lakh. This Right has been classified as a Right of Use asset at the acquisition cost, and based on the management estimate, the carrying cost is below the net realizable value. The Group is yet to ascertain the period for necessary amortization. (Refer to Note 4i) and ii) of the consolidated financial statements)

(d) The Group has not renewed the registration of project “Rio”, “Hyde Park” and “Columbus Square” under the provisions of Real Estate (Regulation and Development) Act, 2016 since 31st March 2019, resulting in non-compliance under the relevant rules and regulations of the Real Estate (Regulation and Development) Act, 2016.

(e) According to the information and explanation provided to us, Gratuity plan of the Group is unfunded as at 31st March, 2025 and the Group has made provision for the entire Gratuity Liability. Employee Gratuity Liability is being met as and when they fall due. As no assets are maintained by the Group, there is a liquidity risk that the Group may run out of cash resources which may further affect the financial position of the Group. (Refer Note no. 32 of the Consolidated Financial Statements)

(f) Revenue relating to invoices raised on maintenance charges for a project aggregating Rs 1932 lakhs was not recognised due to uncertainty in collection of the expected consideration and ongoing reconciliation of the balances with the respective customers. (Refer to Note 17(ii) of the Consolidated Financial Statements)

(g) Certain managerial personnel duly appointed by members of the Holding Company have intimated the Board in the current year that they would be foregoing their remuneration from their respective date of appointment in order to comply with the provisions of section 197(1) of the Companies Act, 2013, since lender’s approval prior to such appointment was not obtained. Accordingly, no managerial remuneration has been accounted for in the books of account in respect of those personnel. The board has noted the “Letter of Undertaking” received from the personnel for non-acceptance of salary and other remuneration.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Adverse Opinion section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
Institution of proceeding under section 7 of the Insolvency and Bankruptcy Code, 2016 by JC Flower Asset Reconstruction Company (Financial Creditor) The Group had entered into One-time Settlements (OTS) with JCF ARC (assigned by YES Bank) and HDFC Limited vide Letters dated 14th April, 2023 and 6th June, 2023 respectively as per which, the Group had to repay the amounts mentioned in the settlement letters in a time-bound manner. The Group had defaulted on the mentioned timelines or any other payment terms, the said settlement approvals stood revoked by way of a notice on 23rd November, 2023 from JCF ARC and the Holding Company was called upon to repay outstanding dues along with applicable interest charges, costs, etc. with effect from the date of notice aforementioned, as more elaborately detailed in clause (a) of the emphasis of matter paragraph.	The auditors have been seeking information from the Management on the status of the proceeding and the complaint with NCLT by the Financial Creditor JCF ARC. The Company had shared the status of the dates of hearing before NCLT as and when adjourned. We had requested for the plan of action for settlement of the dues and were provided the copies of the MOUs entered into with a new developer on 28th March, 2025 for transferring its development rights, interest and entitlements relating to projects Plaza and Soho. The management had informed that part of the JCF dues would be settled through consideration from the transfer and from realization out of transfer from one of their existing projects. The Auditors were informed of arrangement wherein the JCF matter with NCLT will be settled at the amount agreed on OTS (which stands revoked presently) which is lower than Rs 386 crores outstanding as recorded with NCLT. However any document substantiating the aforesaid communication was made available raising doubts about the course of action to be adopted for repayment of dues and of the continuity of the entity in the foreseeable future.
Maintenance income pending reconciliation included under Other Liability (Note 17) Contract Liability of Rs 1928 lakhs under 'Other Liability' in Note 17 to the Consolidated Financials has not been recognised as revenue in the books for which reconciliation is pending. The related debit i.e., trade receivable in Note 10 shows a balance of Rs 1871 lakhs as considered good and represents the amount of consideration due.	**Audit Procedures adopted** The auditors had communicated this matter with the Head of Finance in charge of governance who had explained that the amount is in regard to maintenance charges billed on customers relating to one project and is pending reconciliation.

Information Other than the Consolidated Financial Statements and Auditors' Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the draft Directors' Report including annexures to Directors' Report and other reports included in the Annual report, but does not include the consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the full Annual report which is expected to be made available to us subsequently, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Management and Those Charged with Governance for the consolidated financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 consolidated financial results.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 ability of the Group 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 consolidated financial results 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) During the preceding financial year, the GST department had reinstated the GST registration vide form Reg 22 dated May 12, 2023 for Holding Company. Pursuant to this, the Holding Company has ascertained certain GST liabilities for previous years and deposited to the department. However, during the current year, the Holding Company has received an order for cancellation of GST registration on account of failing to furnish the returns for prescribed periods.
   On verification of documents and according to the explanation provided to us, the Group is raising GST invoices in order to deposit GST liability to the department as and when GST registration will stand valid.

   The Company had begun depositing amounts towards GST dues on announcement of Amnesty Scheme on 16th January, 2025 from the Department of Commercial Taxes, Government of Karnataka regarding waiver of interest and penalty or both relating to demands under Section 73 of the CGST Act pertaining to Financial Years 2017-18, 2018-19 and 2019-20.

b) The Group earlier on February 23, 2022 had amended the main Objects of the Holding Company's Memorandum of Association and post amendment of the Object Clause, the Holding Company is to predominantly focus on trading in land and plotted development, Service business comprising wide areas of facilities / manpower / catering / restaurants activities, related Internet Technology Services and long term investment and trading in equities. During the last quarter on January 28, 2025 a new Company, Satchmo Foods Private Limited was incorporated as a wholly owned subsidiary of the Company to deal in the business of manufacturing, supply, distribution of food products and services.

c) We have been informed by the management that the Company has advanced monies to a related party as per a special resolution taken by the Company in terms of the relevant provisions of the Companies Act, 2013 and necessary disclosure has been given in the financial statements (Refer to Note 29(ii) of the Consolidated Financial Statements).

d) The consolidated Financial Statements include the Financial Statements of Satchmo Foods Private Limited incorporated on January 28, 2025, a subsidiary whose financials are for the period from January 28th 2025 till 31st March, 2025. In our opinion and according to the information and explanations given to us by the Board of Directors, the Financial Statements of the newly incorporated subsidiary are not material to the Group.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the central government of India in terms of the sub-section (11) of section 143 of the Act, 2013, we give in the "Annexure – A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   a) *Except for the effects of the matters described in the Basis for Adverse Opinion section above read with the Emphasis of Matter and Other Matters paragraphs,* 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) *Except for the effects of the matters described in the Basis for Adverse Opinion section above read with the Emphasis of Matter and Other Matters paragraphs,* in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated statement of changes in equity and Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) *Except for the effects of the matters described in the Basis for Adverse Opinion section above read with the Emphasis of Matter and Other Matters paragraphs,* in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

   e) The matters stated in the *Basis for Adverse Opinion* section above, in our opinion, may have an adverse effect on the functioning of the Group.

   f) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company, none of the directors are disqualified from being appointed as director in terms of Section 164(2) of the 'Act' as on 31st March, 2025.

   g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in **"Annexure –B"**. Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting for the reasons stated therein.

   h) In terms of the provisions of section 197(16) of the Companies Act, 2013 and according to the information, representation and explanation given to us by the management, no managerial remuneration has been paid/provided during the year apart from remuneration paid to one executive director in his operational capacity working as Chief Financial Officer of the Holding Company.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment Rules, 2021, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on consolidated financial position of the Group. – Refer Note 35;

      ii. According to the information and explanation given by the management, The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary companies.

      iv. (a) In case of the Holding Company and its subsidiaries, the respective managements' have represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), including foreign entities ("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) In case of the Holding Company and its subsidiaries, the respective managements' have represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("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; and

(c) In case of the Holding Company and its subsidiaries based on such audit procedures that the respective auditors have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement;

v. No dividend is declared or paid by the Group during the year and hence, compliance with section 123 of the Companies Act, 2013 is not applicable to the Group.

vi. Based on our examination which included test checks, the Group has changed the accounting software (from SAP to Tally Prime Gold) from 1st April 2024 for maintaining its books of account 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 software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirement for record retention is in place for the financial year ended March 31, 2025.

For **KAMG & ASSOCIATES**
Chartered Accountants
(Firm's Registration No. 311027E)

(Amitabha Niyogi)
Partner
Membership No. 056720
UDIN: 25056720BMJTAN9323

Place : Bengaluru
Date : 30th April, 2025

ANNEXURE “A” TO THE INDEPENDENT AUDITORS' REPORT

“Annexure A” referred to in our report to the members of **Satchmo Holdings Limited** under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report at even date.

We report that:
In our opinion and according to the information and explanations given to us, the qualifications or adverse remarks by the respective auditors of the subsidiaries on the matters specified in paragraphs 3 and 4 of the Companies (Auditor’s Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 to the extent applicable (“the Order”), are provided in the format below as per the requirement of clause 3(xxi) of the Order.

Sr. No.	Name	CIN	Holding Company/ Subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Satchmo Holdings South Limited	L93000KA2004PLC033412	Holding Company	3(i)(a)(A), 3(i)(c), 3(ii)(a), 3(iii), 3(iv), 3(vii), 3(ix), 3(xiii), 3(xvii), 3(xix)
2	Northroof Ventures Private Limited	U45201KA2007PTC044553	Subsidiary	3(i)(a)(A), 3(ii)(a), 3(vii), 3(ix), 3(xiii), 3(xix)
3	Marathalli Ventures Private Limited	U45201KA2007PTC044561	Subsidiary	3(i)(a)(A), 3(ii)(a), 3(iii), 3(iv), 3(vii),3(ix), 3(xiii), 3(xvii), 3(xix)
4	Satchmo Foods Private Limited	U47219KA2025PTC197376	Subsidiary	Incorporated on January 28, 2025

For KAMG & ASSOCIATE
Chartered Accountants
(Firm’s Registration No. 311027E)

(Amitabha Niyogi)
Partner
Membership No 056720
UDIN: 25056720BMJTAN9323

Place: Bengaluru
Date: 30.04.2025

“Annexure-B” to the Independent Auditors’ Report

Report on the Internal Financial Controls over Financial Reporting 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 the consolidated financial statements of **Satchmo Holdings Limited** (herein after referred as “the Holding Company”) as of 31st March, 2025 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies (‘the Group’) are 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 (‘ICAI’). 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 Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the effects/possible effects of the material weaknesses described in 'Basis for Qualified Opinion' paragraph below on the achievement of the objectives of the control criteria over financial reporting, there is an urgent requirement for the management to design control procedures for recording and documentation of transactions and financial approvals of the Group and also for complying with the various provisions of the applicable acts which as a whole are directly related to the effectiveness of the Internal Control Functions over Financial Reporting of the Group, considering the essential component of internal control as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Basis for Qualified Opinion

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Group's annual or interim financial statements will not be prevented or detected on a timely basis.

According to the information and explanations given to us and based on our audit procedures, the following material weaknesses have been identified in the Group`s internal financial controls over financial reporting as at 31st March, 2025.

a) The Group did not have an appropriate internal control system relating to granting of unsecured advances for acquiring various immovable properties. The credit worthiness of the parties, exposure and experience in handling land procurement by third parties, asset base for providing security and guarantee, establishing segregation of duties, determining credentials of the counterparties and sufficient documentation regarding such transactions etc. should be verified at the time of authorization and disbursement of said advances.

b) The Group did not have complete system of obtaining year-end balance confirmation certificates in respect of trade receivables, trade payables, vendor advances, advance from customers and other advances.

c) The Group did not have an adequate internal control system to manage the utilization of loans and facilities obtained from the banks and other financial institutions as per the terms governing such loans and facilities and also the disclosure requirements against such loans and advances received from the banks and the financial institutions.

d) The Group did not have an appropriate internal control system to ascertain the realizable value of Inventory and also does not have a documented system of regular inventory verification.

e) The Group did not have adequate internal control for ascertaining tax assets/liabilities and payments of statutory dues including Income Tax and Goods and Service Tax and other relevant Taxes.

f) The Group did not have an appropriate internal control system to ascertain the net realizable value of financial assets and the system for conducting impairment testing to ascertain the actual value of the asset to be carried in the books of accounts.

g) The Group did not have an appropriate internal control system regarding ascertainment of related parties to ensure compliance with the requirements of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind AS).

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group for the year ended March 31, 2025 and these material weaknesses have affected our opinion on the said consolidated financial statements of the Group and we have issued an adverse opinion on the consolidated financial statements of the Group.

For **KAMG & ASSOCIATES**
Chartered Accountants
(Firm's Registration No. 311027E)

(Amitabha Niyogi)
Partner
Membership No 056720
UDIN: 25056720BMJTAN9323

Place: Bengaluru
Date: 30.04.2025

Satchmo Holdings Limited

Consolidated Balance Sheet as at 31 March 2025

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

	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non- current assets			
Property, plant and equipment	4	10,570	10,391
Capital work-in-progress	4a	-	-
Goodwill	5	-	-
Other Intangible assets	5	3	3
Financial assets			
Investments	7	-	-
Other non-current financials assets	6	83	70
Deferred tax assets, net	9	-	-
Other non-current assets	11	70	66
		10,726	**10,530**
Current assets			
Inventories	8	50,720	50,485
Financial assets			
Trade receivables	10	1,872	55
Cash and cash equivalents	12	368	12
Other current assets	11	19,285	18,535
		72,245	**69,087**
Total assets		**82,971**	**79,617**
Equity and liabilities			
Equity			
Equity share capital	13	14,583	14,583
Other equity	14	(120,190)	(122,057)
Total equity		**(105,607)**	**(107,474)**
Liabilities			
Non-current liabilities			
Borrowings	15	-	-
Other financial liabilities	16	217	18
Other Liabilities		-	-
Provisions	18	113	121
		330	**139**
Current liabilities			
Financial liabilities			
Borrowings	15	13,385	13,386
Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		17	36
Total outstanding dues of creditors other than micro enterprises and small enterprises		6,252	10,088
Other current financial liabilities	16	111,835	111,822
Other current liabilities	17	54,959	49,827
Provisions	18	10	17
Current Tax Liabilities, Net	19	1,790	1,776
		188,248	**186,952**
Total liabilities		**188,578**	**187,091**
Total equity and liabilities		**82,971**	**79,617**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **KAMG & ASSOCIATES**
Chartered Accountants
Firm registration number: 311027E

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Nitesh Shetty
Chairman and
Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Amitabha Niyogi
Partner
Membership No. 056720
UDIN : 25056720BMJTAN9323

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Place: Bangalore
Date: 30 April 2025

Satchmo Holdings Limited

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

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

		Notes	for the year ended 31 March 2025	for the year ended 31 March 2024
1)	**Income**			
a)	Revenue from operations	21	1,182	4,401
b)	Other income	22	345	8,946
	Total income		**1,527**	**13,347**
2)	**Expenses**			
a)	Land and construction cost	23	849	6,553
b)	Employee benefits expense	24	740	720
c)	Finance cost	25	1	100
d)	Depreciation and amortization expense	26	10	13
e)	Other expenses	27	1,302	4,483
	Total expenses		**2,902**	**11,869**
3)	**Profit/(loss) before exceptional items and tax**		**(1,375)**	**1,478**
4)	Exceptional Items		**3,213**	**(10)**
5)	**Profit/(loss) before tax**		**1,838**	**1,468**
6)	***Tax expenses***			
a)	Current tax	28	-	(110)
b)	Deferred tax			
	Total tax expense		**-**	**(110)**
7)	**Profit/(loss) for the year**		**1,838**	**1,578**
8)	**Other comprehensive income**			
a)	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	
b)	Re-measurement gains/ (losses) on defined benefit plan		29	(4)
c)	Tax relating to these items		-	
	Other comprehensive income for the year, net of tax		**29**	**(4)**
9)	**Total comprehensive income for the year**		**1,867**	**1,574**
10)	**Earnings per equity share** [nominal value of Rs 10 (Previous year - Rs 10)]	34		
(i)	Basic		1.26	1.08
(ii)	Diluted		1.26	1.08

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for KAMG & ASSOCIATES
Chartered Accountants
Firm registration number: 311027E

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Amitabha Niyogi
Partner
Membership No. 056720
UDIN : 25056720BMJTAN9323

Nitesh Shetty
Chairman and
Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Place: Bangalore
Date: 30 April 2025

Satchmo Holdings Limited

Consolidated Statement of Cash Flows for the year ended 31 March 2025

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

	for the year ended 31 March 2025	for the year ended 31 March 2024
Operating activities		
Profit/ (Loss) before tax	**1,838**	**1,468**
Adjustments to reconcile profit before tax to net cash flows:		
Profit or loss of Subsidiary Sold	-	(123)
Other Comprehensive Income		-
Depreciation of property, plant and equipment	10	11
Un-used assets written off	12	-
(Gain)/Loss on Sale of Assets	-	(33)
Impairment loss on WIP	-	674
Sundry Advances written off	176	1,727
Provisions & Liabilities no longer required written back	(339)	(7,234)
Exceptional Item	-	110
Finance costs (including fair value change in financial instruments)	1	89
Profit before Working Capital changes	**1,698**	**(3,311)**
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(1,817)	97
(Increase)/ decrease in other financial and non-financial assets	(85)	1,204
(Increase)/ decrease in Inventories	(234)	8,684
Increase/ (decrease) in trade payables	(3,570)	(2,005)
Increase/ (decrease) in provisions	52	6,578
Increase/ (decrease) in other non-financial liabilities	4,301	(8,023)
	345	3,224
Income tax paid, net of refund	14	129
Net cash flows from/ (used in) operating activities (A)	**359**	**3,353**
Investing activities		
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(3)	(48)
Proceeds from sale of property, plant and equipment	1	23
Net cash flows from/ (used in) investing activities (B)	**(2)**	**(25)**
Financing activities		
Proceeds/Repayments from short-term borrowings	-	(3,479)
Interest paid, gross	(1)	(71)
Net cash flows from/ (used in) financing activities (C)	**(1)**	**(3,550)**
Net increase/ (decrease) in cash and cash equivalents	356	(222)
Cash and cash equivalents at the beginning of the year	82	304
Cash and cash equivalents at the end of the year	**438**	**82**
Components of cash and cash equivalents		
Cash on hand	-	-
Balance with banks - on current account	368	10
Other Bank Balances	70	70
Fixed Deposits	-	2
Total cash and cash equivalents	**438**	**82**

Note:

(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7- Statement of Cash Flow".

(b) During the previous year, the Group has de-subsidiarised one company (refer note 14 (i) and hence, the cash and cash equivalents pertaining to such companies has been adjusted in the opening balance.

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

for KAMG & ASSOCIATES
Chartered Accountants
Firm registration number: 311027E

Amitabha Niyogi
Partner
Membership No. 056720
UDIN : 25056720BMJTAN9323

Place: Bangalore
Date: 30 April 2025

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Nitesh Shetty
Chairman and
Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Satchmo Holdings Limited

Consolidated Statement of Changes in Equity for the year ended 31 March 2025

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

a. Equity share capital

	31-Mar-2025		31-Mar-2024	
	No of Shares	Amount	No of Shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid	145,832,100	14,583	145,832,100	14,583
Add : Equity Shares issued during the year	-	-	-	-
At 31 March 2025	**145,832,100**	**14,583**	**145,832,100**	**14,583**

b. Other equity

For the year ended 31 March 2025

	Equity share capital (Note 14(a))	Reserves and surplus		Other Reserve	Total
		Securities premium	Retained Earnings	Fair Value through Other Comprehensive Income- Equity Instrument	
As at 01 April 2023		**31,259**	**(155,891)**	**-**	**(124,632)**
Loss for the year	**-**	-	1,580		**1,580**
Other comprehensive income*	-	-	(4)		**(4)**
Adjustment due to sale of Investments			999		**999**
Issue during the year	-	-	-		**-**
Equity contribution from holding company	-	-	-		-
As at 31 March 2024	**-**	**31,259**	**(153,316)**	**-**	**(122,057)**
As at 01 April 2024		31,259	(153,316)	-	(122,057)
Loss for the year	-	-	1,838	-	1,838
Other comprehensive income*	-	-	29		29
Adjustment due to sale of Investments			-		-
As at 31 March 2025		**31,259**	**(151,449)**	**-**	**(120,190)**

* As required under Division II of Schedule III to the Companies Act 2013, the Company has recognised remeasurement gains/(losses) of defined benefit plans (net of tax) as part of retained earnings.

The above statement of changes in equity should be read in conjunction with the accompanying notes.
As per our report of even date

for KAMG & ASSOCIATES
Chartered Accountants
Firm registration number: 311027E

Amitabha Niyogi
Partner
Membership No. 056720
UDIN : 25056720BMJTAN9323

Place: Bangalore
Date: 30 April 2025

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Nitesh Shetty
Chairman and
Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

1. **Corporate Information**
   Satchmo Holdings Limited (the Company or 'SATCHMO' or the Holding Company) was incorporated on 20 February 2004 (CIN: L93000KA2004PLC033412). SATCHMO a real estate developer has recently changed its objects and has added new lines of business. SATCHMO is now an Investment and Holding Company in the sectors of facilities management, Catering, Restaurants, food, dealing in purchase and sale of shares during the year as per changes of memorandum of association and other related activities. The Consolidated financial statements relate to Satchmo Holdings Limited ('the Company') its subsidiary companies as referred in Note 41 (collectively referred as 'the Group')

2. **Material accounting policies**
   This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.01. Basis of preparation

Compliance with Ind AS

The consolidated financial statements are prepared in all material respect in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act (as amended from time to time**)**

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

► Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

► Defined benefit plans - plan assets measured at fair value

The financial statements are presented in INR (Indian Rupees) and all values are rounded to the nearest Lakhs, except when otherwise indicated.

Amended standards adopted by the Group

a) Basis of consolidation

i. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

Consolidation procedure

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
b. Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. The manner of accounting for any related goodwill is explained below.
c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from

intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d. The financial statements of all subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31st and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

e. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of Profit and Loss, consolidated Statement of Changes in Equity and Balance Sheet respectively.

f. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses and tested for impairment annually.

If the Group loses control over a subsidiary, it:

-Derecognizes the assets (including goodwill) and liabilities of the subsidiary
-Derecognizes the carrying amount of any non-controlling interests
-Derecognizes the cumulative translation differences recorded in equity
-Recognizes the fair value of the consideration received
-Recognizes the fair value of any investment retained
-Recognizes any surplus or deficit in profit or loss
-Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

ii. Associates

Associates are all entities over which the group has significant influence but not control or joint control

This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

iii. Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The results, assets and liabilities of joint venture are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable.

iv. ***Equity Method***

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group`s share of the post acquisition profits or losses of the investee in profit and loss, and the group`s share of other comprehensive income of the investee in 'Other Comprehensive Income'.

When the group`s share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivable, the group doesn't recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the group and its associates and joint venture are eliminated to the extent of the group`s interest in its entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

b) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from the date of transition, i.e., April 1, 2016. As such, Previous GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward. The same first time adoption exemption is also used for joint ventures.

2.02. Summary of material accounting policies

a) Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services. Revenue also excludes taxes collected from customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods and services rendered is net of variable consideration on account of arrears, discounts, interest, and schemes, if any offered by the Group as part of the Contract.

Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty, if any, relating to its recognition is resolved.

The specific recognition criteria described below must also be met before revenue is recognised.

i. Income from lease of commercial properties

Rental income receivable under operating leases is recognized in the income statement as and when due over the lease period.

ii. Recognition of revenue from real estate development

Revenue from real estate projects is recognised at a point-in-time upon registration of the property in favour of the customer, which, in the opinion of the Group, marks the transfer of control upon the property and also the satisfactory discharge of the Group's performance obligation.

For projects executed through joint development arrangements, wherein the land owner / possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of revenue proceeds. The project costs include fair value of land being offered for the project and revenue from the development and transfer of constructed area / revenue sharing arrangement in exchange of such development rights / land is accounted on gross basis.

Revenue is measured at the fair value of land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of land received cannot be measured reliably, revenue is measured at the fair value of the estimated construction service rendered to the landowner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in determining the project cost.

For projects transferred as a slump sale or through business transfer agreements, the revenue is measured at the agreed value by the parties to the agreement. Such revenue is adjusted by the amount of assets/liabilities transferred against such projects.

iii. Recognition of revenue from share trading business

The Revenue from dealing in purchase and sale of shares is recognized on sale or transfer of shares from DEMAT account maintained in the name of the Company through open market operations.

iv. Contract Assets and Contract Liabilities

Contract Assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

A Contract Liability is recognised for an unearned or deferred revenue due to billing as per contractual terms in excess of revenue recognised. Bills are raised as per schedules agreed with customers to collect milestone based progress payments within contractually agreed credit period.

v. Interest income

Interest income, including income arising from other financial instruments, is recognized using the effective interest rate method.

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

vi. Dividend income

Revenue is recognized when the shareholders' or unit holders' right to receive payment is established, which is generally when shareholder approve the dividend.

b) Property, plant and equipment

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016. Property, plant & equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are expensed as incurred.

Subsequent costs are included in the asset`s carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item with the item will flow to the Group and the cost of the item can be measured reliably. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of Profit and Loss for the period during which such expenses are incurred.

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

c) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided 'Written Down Value Method' based on useful life as prescribed under Schedule II of Companies Act 2013.

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

d) Intangible Assets & Amortisation

Intangible assets are stated at cost less accumulated amortization and net of impairments, if any. An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and its cost can be measured reliably. Intangible assets/ Computer software is amortized using straight line method over a period of 5 years, which is estimated by the management to be the useful life of the asset.

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its intangible assets as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

e) Investment Property

Ind AS 101 permits a first-time adopter to measure an item investment property and investment property under construction at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Costs including subsequent costs and borrowing costs for long-term construction projects are recognised only if the recognition criteria are met. When significant components of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

f) Segment reporting

Identification of segments - The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment

Segment accounting policies - The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

g) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Foreign currency transactions and balances

i) Initial recognition*:* Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange difference: The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

h) Impairment of non financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Impairment of financial assets

The Group assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

j) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The real estate development projects undertaken by the Group run over a period ranging upto 5 years or such extended period. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of upto 5 years or such an extended period. Borrowings in connection with such projects are classified as short-term (i.e current) since they are payable over the term of the respective projects.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realized / are contractually repayable within 12 months from the Balance Sheet date and as non-current, in other cases.

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

k) Fair value measurement

The Group measures financial instruments, such as Investments at fair value at each Balance Sheet date.

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

► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Group.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

l) 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

Initial recognition and measurement

All financial assets are recognized initially 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

<u>*Subsequent measurement*</u>

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortized cost

Debt instruments at fair value through other comprehensive income (FVTOCI)

Debt instruments and equity instruments at fair value through profit or loss (FVTPL)

Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Equity investments in joint ventures

The Group has availed the option available in Ind AS 27 to carry its investment in joint ventures at cost. Impairment recognized, if any, is reduced from the carrying value.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

  When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

m) Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

o) Borrowing costs

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalization are charged to statement of Profit and Loss.

p) Cash and cash equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank and in 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. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal usage.

q) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the provident fund are due. There are no other obligations other than the contribution payable to the government administered provident fund.

Provision towards gratuity, a defined benefit plan, is made for the difference between actuarial valuation by an independent actuary and the fund balance, as at the year-end. The cost of providing benefits under gratuity is determined on the basis of actuarial valuation using the projected unit credit method at each year end.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group 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.

The Group does not have any carry forward of unutilized leave balance.
Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

r) Provisions

A provision is recognized when the group has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each Balance Sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, increase in the provision due to the passage of time is recognized as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

t) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

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

u) Taxes

Tax expense comprises of current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are recognised for all taxable temporary differences, except:
> In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

v) Land

Advances paid by the Group, except for acquisition of fixed assets/ investment properties, to the seller/ intermediary towards outright purchase of land is recognized as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Group, whereupon it is transferred to work in progress. Deposits paid by the Group to the seller towards right for development of land in exchange of constructed area are recognized as land advance under loans and advances, unless they are non-refundable, wherein they are transferred to work-in-progress or capital work in progress on the launch of project.

Land/ development rights received under joint development arrangements is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. Further, non-refundable deposit amount paid by the Group under joint development arrangements is recognized as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress.

w) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to NEL's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no material changes are required to lease period relating to the existing lease contracts

Group as a lessee

At the commencement date, a lessee shall recognise a right-of-use asset at cost and a lease liability at the present value of the lease payments that are not paid at that date for all leases unless the lease term is 12 months or less or the underlying asset is of low value.

Subsequently, right-of -use asset is measured using cost model whereas, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless the costs are included in the carrying amount of another asset applying other applicable standards.

Right-of-use asset is depreciated over the useful life of an asset, if the lease transfers ownership of the asset to the lessee by the end of the lease term or if the cost of the right-to-use asset reflects that the lessee will exercise a purchase option. Otherwise, the lessee shall depreciate the right-to-use asset from the commencement date to the earlier of the end of the useful life of the right-to-use or the end of the lease term.

Group as a lessor

All leases as either an operating lease or a finance lease

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Operating leases-lease payments from operating leases are recognised as income on either a straight-line basis unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is dimished.

Finance leases- assets held under a finance lease is initially recognised in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease using the interest rate implicit in the lease to measure the net investment in the lease.

x) Inventories

Direct expenditure relating to real estate activity is accounted to inventories. Other expenditure (including borrowing costs) during construction period are accounted to inventories to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

i) Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii) Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.

iii) Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iv) Land stock: Valued at lower of cost and net realizable value.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

v) Share: Valued at lower of cost of purchase and net realizable value at closing date.
Net realizable value is the selling price less commission and other related expenditure for sale at closing date

3. **Material accounting judgements, estimates and assumptions**

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the Group to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, the group has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i) Going concern

These consolidated financial statements have been prepared on a going concern basis notwithstanding accumulated losses as at the Balance Sheet date and a negative net current assets situation.
These consolidated financial statements therefore do not include any adjustments relating to recoverability and classification of asset amounts or to classification of liabilities that may be necessary if the Group is unable to continue as a going concern.

ii) Classification of property

The Group determines whether a property is classified as investment property or inventory as below.

Investment property comprises land and buildings (principally office and retail properties) that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Group develops and intends to sell before or during the course of construction or upon completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. Determination of Contract Costs

Cost of property units for which revenue is recognised on registration, is charged to the statement of Profit & Loss on the basis of an appropriate ratio of overall budgeted cost (as reviewed from time to time to closely approximate the actual cost) for the project as a whole since it is impracticable to track actual costs for each registerable unit of property. Significant judgement and estimation is involved in budgeting the overall cost of the project and in determining the ratio applicable to each registerable unit of property.

ii. Accounting for revenue and land cost for projects executed through joint development arrangements ('JDA')

For projects executed through joint development arrangements, as explained in note 2.2(a) under material accounting policies, the revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Group under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The management is of the view that the fair value method and estimates are reflective of the current market condition.

iii. Estimation of net realizable value for inventory (including land advance)

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

With respect to Shares held for trading, Net Realisable Value is assessed with respect to the selling price less commission and other related expenditure for sale at closing date.

iv. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v. Provisions and contingent liabilities

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

4 **Property, plant and equipment**

	Right to use	Buildings	Leasehold improvements	Office Equipment	Computer	Furniture & fixtures	Vehicles	Total
Cost								
At 1st April 2023	10,311	-	21	49	28	45	59	10,513
Additions (refer note i)	-	36	-	4	8	-	-	48
Disposals	-	-	-	5	22	-	33	60
At 31 March 2024	**10,311**	**36**	**21**	**48**	**14**	**45**	**26**	**10,501**
Additions	-	-	199	-	1	1	-	201
Disposals	-	-	21	21	2	6	(16)	74
At 31 March 2025	**10,311**	**36**	**199**	**27**	**13**	**40**	**42**	**10,628**
Depreciation and impairment								
At 1st April 2023	-	-	21	37	17	34	48	157
Charge for the year	-	2	-	1	6	1	1	11
Disposals	-	-	-	5	21	-	32	58
At 31 March 2024	**-**	**2**	**21**	**33**	**2**	**35**	**17**	**110**
Charge for the year (refer note ii)	-	3	-	1	4	1	-	9
Disposals	-	-	-	-	-	-	16	16
Other adjustments	-	-	(21)	(15)	(4)	(5)	-	(45)
At 31 March 2025	**-**	**5**	**-**	**19**	**2**	**31**	**1**	**58**
Net Book value								
At 31 March 2025	**10,311**	**31**	**199**	**8**	**11**	**9**	**1**	**10,570**
At 31 March 2024	**10,311**	**34**	**-**	**15**	**12**	**10**	**9**	**10,391**

i) The Company has obtained "Right of Use" (ROU) of 87,500 sq.ft. of Commissariate Road Property from WLM Logistics Parks Private Limited (WLMPL) as a consideration against various advances under business settlement. The value of the ROU amounting to Rs. 10,311 Lakhs has been disclosed under property, plant & equipment.

ii) With the available information, the Group is not in a position to determine the period for “Right to Use” (ROU). Accordingly no amoritisation has been done during the year.

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*
full rights of use of the 87,500 Sq. ft. of Commissariate Road Property as per deed of settlement	Rs. 10,311 Lakhs	Bangalore Baptist Church Trust	NO	Since 30 March 2023	As this is Joint Development rights (JDA), post completion of building and upon registration, the property will be transferred in Company's name

4a Capital Work in progress

	Investment property under construction	Property, Plant and Equipment	Total
Cost			
At 1 April 2023	18,656	-	18,656
Additions	-	-	-
Impaired during the year	(18,656)	-	(18,656)
Deletion/Adjustments	-	-	-
At 31 March 2024	**-**	**-**	**-**
Additions	-	-	-
Impaired during the year	-	-	-
Deletion/Adjustments	-	-	-
At 31 March 2025	**-**	**-**	**-**

Investment properties under construction

On 28th March 2025 the Company has signed an MOU with New Developer for exiting project Plaza and Soho for transfer of its development rights, interest and entitlements. The balance of CWIP as on reporting date includes Rs. 11,493 Lakhs and Rs, 7,163 Lakhs related to Plaza and Soho respectively. Impairment provision of equivalent amount exists in the books.

5 Intangible Assets

	Computer Software	Goodwill	Total
Cost			
At 1 April 2023	**64**	**2,755**	**2,819**
Additions	-	-	-
Disposals	-	-	-
At 31 March 2024	**64**	**2,755**	**2,819**
Additions	1	-	1
Disposals	6	-	6
At 31 March 2025	**59**	**2,755**	**2,814**
Depreciation and impairment			
At 1 April 2023	**58**	**2,755**	**2,813**
Charge for the year	3	-	**3**
Disposals	-	-	-
At 31 March 2024	**61**	**2,755**	**2,816**
Charge for the year	1	-	1
Disposals	(6)	-	(6)
At 31 March 2025	**56**	**2,755**	**2,811**
Net Book value			
At 31 March 2025	**3**	**-**	**3**
At 31 March 2024	**3**	**-**	**3**

(i) The Group net worth has fully eroded and investment in subsidiaries has been provided fully. Hence the goodwill that arises for the initial investment in subsidiaries no more exists.

6 Other non-current financials assets

	Non-current	
	31-Mar-2025	**31-Mar-2024**
Other Bank Balances (Refer note (i) below)	70	70
Security deposit paid to others	6	-
Prepaid expesnses (Lease)	7	-
	83	**70**

(i) The Deputy Commissioner of Commercial Tax, DCCT (A&R) - 1.8, DVO-1 Yeshwantapur, Bengalore, has issued Demand Notice dated 22-Oct-2018 for payment of Tax under KVAT ACT 2003 amounting to Rs 327 Lakhs including interest of Rs 174 Lakhs and penalty Rs 14 Lakhs. For non-payment of demand as stated above the tax authority has frozen the Bank accounts.

For non-payment of demand as stated above the tax authority has frozen the following Bank accounts.

Banks	Balance as on 31 March 2025	Authority	Balance as on 31 March 2024	Authority
Axis Bank	2	VAT	2	VAT
Union Bank of India	1	VAT	1	VAT
HDFC Bank	47	VAT	47	VAT
YES bank	20	VAT	20	VAT
Total	**70**		**70**	

7 Investments

		Non-current	
		31-Mar-2025	**31-Mar-2024**
	Other Investments		
A	10,486,500 (2024: 10,486,500) equity shares of Rs 10/- each fully paid in NIRPL Ventures Private Limited	2,836	2,836
	Allowance for impairment in the value of Investments	2,836	2,826
B	50,000 (2024:50,000) equity shares Rs.10/- each fully paid in Nitlogis Private	5	5
	Less: Allowance for impairment in the value of Investments	5	5
	Aggregate amount of quoted investments	-	-
	Market value of quoted investments	-	-
	Aggregate amount of unquoted investments	2,841	2,841
	Aggregate amount of impairment in the value of investments	2,841	2,841

8 Inventories

	31-Mar-2025	**31-Mar-2024**
Land held under joint development arrangements (Refer Note (i) below)	27,766	27,807
Land under work in progress	1,538	1,536
Properties under development	21,293	20,997
Less: Impairment Loss provision on WIP	(673)	(674)
Finished goods	68	91
Villa rights	728	728
	50,720	**50,485**
Trading Equity Shares (Refer note (ii) below)	-	-
	50,720	**50,485**

(i) Includes payable to landowner for land under Joint Development Agreement (JDA) amounting Rs. 27,766 Lakhs (PY - Rs. 27,807 Lakhs) which is payable to land owners and disclosed in note no 16 under the head "Consideration under JDA towards purchase of land".

(ii) The Group has engaged in the business of purchase and sale of shares as per change in the object clause of the memorandum of association of the Company from earlier years.

(iii) The Group has impaired the inventory amount of Hunter Valley and Santa Clara projects as the said projects are under exit mode.

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

9 Deferred tax Assets/(liabilities)- (Net)

	Current		Non Current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Deferred tax liabilities				
a) Revenue recognition under gross accounting method	-	-	-	-
b) Others	-	-	-	-
Gross deferred tax liabilities (A)	-	-	-	-
Deferred tax assets				
a) Depreciation and amortization	-	-	-	-
b) Leave encashment and gratuity - deductible on payment	-	-	-	-
c) Fair valuation of security deposit-Assets	-	-	-	-
d) Others	-	-	-	-
Gross deferred tax assets (B)	-	-	-	-
Total	-	-	-	-

(a) Deferred Tax Assets has not been accounted for due to the absence of virtual certainty of taxable profit in the forseeable future as estimated by the management against which the Deferred tax assets can be adjusted / utilised.

10 Trade receivables

	Current	
	31-Mar-2025	31-Mar-2024
Trade Receivables considered good - Secured;	-	4
Trade Receivables considered good - Secured - Related Party;	-	-
Trade Receivables considered good - Unsecured (Note.17(ii))	1,872	-
Trade Receivables - credit impaired- Related Party	-	1,001
Trade Receivables - credit impaired	-	52
	1,872	1,057
Less: Loss allowance expected credit loss	-	1,002
Total	**1,872**	**55**

Trade receivables - Ageing (31-Mar-2025)

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	1,871	-	-	-	1	1,872
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Trade receivables -Credit Impaired - Related Party	-	-	-	-	-	-
Undisputed Trade Receivables - considered good - Related Party	-	-	-	-	-	-
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Total Trade receivables	**1,871**	**-**	**-**	**-**	**1**	**1,872**

Trade receivables - Ageing (31- Mar-2024)

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	5	-	-	-	-	5
Undisputed Trade Receivables – credit impaired	-	-	-	-	52	52
Trade receivables -Credit Impaired - Related Party	-	-	-	-	1,001	1,001
Undisputed Trade Receivables - considered good - Related Party						-
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Total Trade receivables	**5**	**-**	**-**	**-**	**1,052**	**1,057**

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

11 Other Assets

	Current		Non-current	
	31-Mar-2025	**31-Mar-2024**	**31-Mar-2025**	**31-Mar-2024**
I) Unsecured, Considered good				
Advances paid towards Joint Development (Refer Note 11(i) to (ii) noted below)	10,948	10,941	-	-
Less: Expected Credit Loss Allowance against Advances	-	-	-	-
	10,948	**10,941**	**-**	**-**
II) Others				
Refundable deposits under joint development agreements (Refer note (i) below)	2,973	2,973	-	
- To related parties (Refer note 28)	-	-	-	
Vendor advances - To others	1,638	2,170	-	
Less: Allowance for doubtful debts/advances	(538)	-	-	
Prepaid expenses	4	4	-	-
Advances for supply of goods and rendering of services				
- To related parties (Refer note 29)	1,086	99	-	-
- To others	598	337	-	-
Balances with government authorities	905	1,010	-	-
Advance Income Tax (Net of Provision, TDS Receivable)	-	-	-	-
Receivable from related parties (Refer note 29 & Note (ii) below)	1,271	601	-	
Security Deposits	400	400	70	66
	8,337	**7,594**	**70**	**66**
Total	**19,285**	**18,535**	**70**	**66**

i) Advances for land though unsecured, are considered good as the advances have been given based on arrangements / memorandum of understanding executed by the Company and the Company / seller / intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation.

ii) Amount paid by the company to the land owners for the land towards joint development of the property is recognised as deposit since it is refundable after completion of the project.

12 Cash and cash equivalent

	31-Mar-2025	**31-Mar-2024**
Balances with banks		
- On current accounts	368	10
Other Bank Balances	-	-
Fixed Deposits	-	2
Cash on hand	-	-
Total	**368**	**12**

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

13 Share Capital

	31-Mar-2025	31-Mar-2024
Authorized		
150,000,000 (2024 : 150,000,000) equity shares of Rs 10 each	15,000	15,000
Issued, subscribed and fully paid shares		
145,832,100 (2024: 145,832,100) Equity shares of Rs.10 each	14,583	14,583
Total issued, subscribed and fully paid share capital	**14,583**	**14,583**

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

	31-Mar-2025		31-Mar-2024	
	No of Shares	Amount	No of Shares	Amount
Equity shares				
At the beginning of the year	145,832,100	14,583	145,832,100	14,583
Issued during the year	-	-	-	-
Outstanding at the end of the year	**145,832,100**	**14,583**	**145,832,100**	**14,583**

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General meeting.

In event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

	31-Mar-2025		31-Mar-2024	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of Rs. 10 each fully paid up				
Mr. Nitesh Shetty	65,273,350	44.76%	65,273,350	44.76%

As per records of the Holding Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

d) There have been no buy back of shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

c) Shares held by promoters at the end of the year

Promoter name	% Change during the year	31-Mar-2025		31-Mar-2024	
		No. of Shares	% total shares	No. of Shares	%of total shares
Mr. Nitesh Shetty	0.00%	65,273,350	44.76%	65,273,350	44.76%

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

14 Other equity

	31 March 2025	31 March 2024
RESERVES AND SURPLUS		
Securities premium	31,259	31,259
Retained earnings	(151,449)	(153,316)
	(120,190)	**(122,057)**

(A) RESERVES AND SURPLUS

	31 March 2025	31 March 2024
(a) Securities premium		
Balance at the beginning of the year	31,259.00	31,259
Less: Adjustment during the year	-	-
Balance at the end of the year	**31,259.00**	**31,259**

Security premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

	31 March 2025	31 March 2024
(b) Retained earnings		
Balance at the beginning of the year	(153,316)	(155,891)
Profit/(loss) for the year	1,838	1,580
Other comprehensive income	29	(4)
Adjustment due to sale of Investments	-	999
Balance at the end of the year	**(151,449)**	**(153,316)**
Total Other equity	**(120,190)**	**(122,057)**

15 Borrowings

Particulars	Effective interest rate %	Maturity	31 March 2025	31 March 2024
Secured Loans				
Current Borrowings				
Loan Repayable on Demand				
Term Loan from Bank and financial institutions	Refer Note (c) below	Refer Note (c) below	1,507	1,507
Term Loan assigned and transferred in favour of JC Flower Asset Reconstruction Private Limited			11,878	11,878
			13,385	**13,385**
Unsecured loans				
- from a director			-	1
Net amount			**-**	**1**
Total current Borrowings			**13,385**	**13,386**

Note:

(i) The continuous loss and liquidity constraints of the company lead to non-payment of principal and non-servicing of interest, resulting all the borrowing accounts are classified as Non Performing Assets (NPA) by the Banks / Financial Institutions:

a) During the previous year, YES Bank, pursuant to the execution of Assignment Agreement, have absolutely, assigned and transferred, unto and in favour of J C Flower Asset Reconstruction Private Limited (JCF ARC), the loans and all the amounts due and monies stipulated in or payable under the financing documents by the company to YES Bank together with all underlying security interests (including pledges, undertakings and/or guarantees thereto) and rights, title and interests in relation to the same).

b) HDFC bank has called upon the loan and issued notice under SARFAESI Act for recovery of their loan against the related projects.

c) The Group has accepted One Time Settlement proposal (OTS) dated 14 April 2023, as given by JCF ARC for an amount of Rs. 13,378 lakhs. Company has already paid Rs. 1,500 lakhs out of the said amount of 13,378 lakhs during the FY 2023-24. Company has also received OTS from HDFC Limited dated 6 June 2023 for an amount of Rs. 4,590 lakhs and Company has already paid Rs. 3,083 lakhs against the said OTS. Company has received Revocation letter from JCF in November 2023 and is in process of negotiation for extension of OTS. Post receipt of One Time Settlement proposal (OTS) from the two lenders, Company has reclassified the loans payable at the OTS and the balance outstanding along with accrued interest for an aggregate amount of Rs. 1,11,664 lakhs has been classified as Disputed Liability.

d) A complaint was registered on the Company with NCLT on 12th September 2024 by JCF ARC for non-settlement of the said dues under section 7 of the Insolvency and Bankruptcy Code, 2016. The compliant was initially heard by the NCLT and further adjournments have been happening and the matter is under sub-judice of now and posted for hearing at a later date.

ii) The borrowings from bank and financial institution have been allocated to projects covered in the sanction letter based on cash flows related to the said projects.

Further, post exit of projects and on receipt of NOC from bank and financial institution for clearance of charge, net amount outstanding as per books is transferred to disputed liability which would pending overall settlement of loan balance with bank and financial institution. Details of the same is given below.

HDFC Ltd

Project	Loan-Disputed liability	Balance loan outstanding	Interest - Disputed liability	Balanace interest outstanding
Knightsbridge	(39)	-	257	-
Virgin Island	8,146	-	3,000	-
Chelsea	3,334	-	3,280	-
British Columbia	1,729	-	1,845	-
Hunter Valley	2,590	700	3,541	-
RIO	550	501	866	-
Long Island	495	306	758	-
Napa Valley	-	-	-	-
	16,805	**1,507**	**13,547**	**-**

Satchmo Holdings Limited

Notes to the consolidated financial statements for the year ended 31 March 2025

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

JC Flower Asset Reconstruction Private Limited / Yes Bank Ltd

Project	Loan-Disputed liability	Balance loan outstanding	Interest - Disputed liability	Bal interest outstanding
Soho	3,970	3,000	1,443	-
Plaza	8,740	4,000	3,728	-
Hyde Park	2,262	88	1,713	-
Columbus Square	2,205	145	1,713	-
Fisher Island	3,855	145	2,917	-
Napa Valley	9,400	-	3,020	-
Melbourne Park	6,500	-	5,147	-
Cape Cod	5,363	-	3,800	-
Palo Alto	7,490	4,500	8,045	-
	49,785	**11,878**	**31,527**	**-**
TOTAL	**66,590**	**13,385**	**45,074**	

(iii) Details of security and terms of loans

Particulars	Amount outstanding 31-Mar-2025	Amount outstanding 31-Mar-2024	Interest rate	Security details	Repayment terms
i)Term loans from Financial Institution	1,507	1,507	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.65% per annum and the applicable rate for the said financial facility was 15% per annum for 1st tranche & 13.60% for 2nd tranche. The interest rate applicable as on date was 15.30% per annum.	i. Equitable mortgage of developer's share of area of the following projects ; - Nitesh Long Island - Nitesh RIO - Nitesh Hunter Valley ii. Personal guarantee of Mr. Nitesh Shetty. iii. PDCs for repayment of Principal Rs. 270 crores. iv. Demand Promissory Notes.	Repayment starts from the begining of 37th Month from the date of first disbursement in 40 equal monthly installments.
Term Loan assigned and transferred from Yes Bank in favour of JC Flower Asset Reconstruction Private Limited during the FY 2022-23	3,000	3,000	4.3% ('spread) over and above the Bank's yearly MCLR. The interest rate applicable as on date was 14% per annum.	i.Exclusive charge on JDA rights on the property situated at Commissariate Road (Total land area - 89,000 sqft). ii. Exclusive charge on all borrower's share of development. iii. exclusive charge on borrower;s share of project receivables/cash flows. iv. Personal guarantee of Mr Nitesh Shetty. v. Blank ECS mandate duly signed.	Bullet repayment of entire amount at the end of 72 months
Term Loan assigned and transferred from Yes Bank in favour of JC Flower Asset Reconstruction Private Limited during the FY 2022-23	4,000	4,000	4.3% ('spread) over and above the Bank's yearly MCLR. The interest rate applicable as on date was 14% per annum.	i.Exclusive charge on JDA rights on the property situated at Ali Asker Road (Total land area 1,10,000 sqft). ii. Exclusive charge on all borrower's share of development. iii. Exclusive charge on all borrower's share of projects receivables/cashflows. iv. Personal guarantee of Mr Nitesh Shetty. v. Blank ECS mandate duly signed.	Bullet repayment of entire amount at the end of 72 months

Satchmo Holdings Limited

Notes to the consolidated financial statements for the year ended 31 March 2025

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

Term Loan assigned and transferred from Yes Bank in favour of JC Flower Asset Reconstruction Private Limited during the FY 2022-23	378	378	Base rate plus 3.50%.	i.Exclusive charge by way of registered mortgage on all present & future assets of the borrower, entire land, development rights and structures built thereon (both present & future). Current ongoing projects are Hyde Park, Columbus Square and Fisher Island. ii. Exclusive charge on all borrower's share of project receivables/cashflows (both sold and unsold stock, present &future) along with escrow of gross sales proceeds. iii. Exclusive charge on the current assets, movable fixed assets and non current loan & advances of the borrower. Yes Bank to have charge on all assets created out of loans and advances of the company. iv. Corporate Guarantee of Satchmo Holdings Limited v. Personal Guarantee of Mr Nitesh Shetty vi. DSRA of one quarter interest and one quarter principal; DSRA for principal amount to be created before 36th month from the date of first disbursement.	Total door to door tenor of 72 months with 36 months of moratorium and 12 equal quarterly repayments over next 36 months
Term Loan assigned and transferred from Yes Bank in favour of JC Flower Asset Reconstruction Private Limited during the FY 2022-23	4,500	4,500	Base rate plus 4.50%.	i. Registered mortgage on land, developments rights and structures built thereon (both present & future) of projects presently under development under NUDPL Viz Palo Alto. ii. Exclusive charge on all borrower's share of project receivables/cash flows (both sold and unsold stock, present &future) along with escrow of gross sale proceeds. (Sum of receivables from sold stock and value of unsold stock minus cost to be incurred on project will at any point in time provide min 1.5x cover. Value of unsold stock to be calculated basis prevailing market rate). iii. Exclusive charge on all current assets long term loans and advances and movable fixed assets (both present and future) of the borrower. iv. Corporate guarantee from Satchmo Holdings Limited. Mortgage will be created in favor of Security Trustee to be appointed for the facility v. Personal Guarantee of Mr. Nitesh Shetty vi. UDC's for repayment of Principal of Rs. 185 cr. and Blank ECS mandate duly signed	Total door to door tenor of 72 months with 36 months of moratorium and 12 equal quarterly repayments over next 36 months

16 Other financial liabilities

	Current		Non-Current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Security Deposit	-	-	18	18
Disputed Liability (refer note 16(i) below)	111,664	111,664	-	-
Disputed Liability - Others	171	158	-	-
Interest payable	-	-	-	-
Lease liability			199	
Interest on Statutory Dues	-	-	-	
Total	**111,835**	**111,822**	**217**	**18**

16(i) The Group has accepted One Time Settlement proposal (OTS) dated 14 April 2023, as given by JCF ARC for an amount of Rs. 13,378 lakhs. Company has already paid Rs. 1,500 lakhs out of the said amount of 13,378 lakhs during the FY 2023-24. Company has also received OTS from HDFC Limited dated 6 June 2023 for an amount of Rs. 4,590 lakhs and Company has already paid Rs. 3,083 lakhs against the said OTS. Company has received Revocation letter from JCF in November 2023 and is in process of negotiation for extension of OTS. Post receipt of One Time Settlement proposal (OTS) from the two lenders, Company has reclassified the loans payable at the OTS and the balance outstanding along with accrued interest for an aggregate amount of Rs. 1,11,664 lakhs has been classified as Disputed Liability. The details for the same are provided below

Name of Financial Institution	Principal Amount	Interest Amount	Total
HDFC Limited	16,805	13,547	30,352
JC Flower Asset Reconstruction Pvt Ltd (previously Yes Bank)	49,785	31,527	81,312
Total	**66,590**	**45,074**	**111,664**
Previous year			
HDFC Limited	16,805	13,547	30,352
JC Flower Asset Reconstruction Pvt Ltd (previously Yes Bank)	49,785	31,527	81,312
Total	**66,590**	**45,074**	**111,664**

17 Other Liabilities

	Current	
	31-Mar-2025	31-Mar-2024
Consideration under JDA towards purchase of land (Refer Note 17(i) noted below)	27,766	27,807
Other advance received from related parties towards contract	1,707	1,317
Advance received from related parties (Refer note 29)	3,561	2,475
Advance received from customers for sale or maint. of properties	15,415	13,898
Other Liability (Refer note 17(ii))	1,928	-
Other statutory dues	-	-
Other Payables	54	54
Accrued salaries and benefits	57	22
Interest payable on Statutory Dues	806	649
Withholding and other taxes and duties payable	3,665	3,605
Total	**54,959**	**49,827**

17 (i) The Group has entered into the Joint Development Agreement (JDA) with land owners for development of the properties at its own cost of development and for the consideration of the land of the land owner, the Group shares the residential flats or revenue from the commercial property as per jointly agreed terms and conditions of the agreement. The land acquired by the Group from the land owner initialy recorded in the books of account at the estimated cost of construction for the share of the property to be handed over to land owner on completion of the construction/development of the property.

17(ii) This relates to maintenance charges relating to a project and the Company is in the process of reconciliation with the respective customers. Revenue has not been recognised on conservative basis considering pending reconciliation of the same.

18 Provisions

	Current		Non-Current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Provision for employee benefits				
Provision for gratuity	5	10	82	88
Provision for leave benefits	5	7	31	33
	10	**17**	**113**	**121**

19 Current Tax Liability, net

	Current	
	31-Mar-2025	31-Mar-2024
Provision for income tax	1,790	1,776
	1,790	**1,776**

20 Trade payables

	Current	
	31-Mar-2025	**31-Mar-2024**
Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 35 for details of dues to micro and small enterprises)	17	36
	17	**36**
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- to related parties (refer note 28)	-	180
- to others (Refer note (i)	6,252	9,908
(c) Disputed Dues		
- MSME	-	-
- Others	-	-
	6,252	**10,088**
	6,269	**10,124**

Trade payables - Ageing (31-Mar-2025)

Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
MSME Dues	15	2	-	-	**17**
Related Parties Dues	-	-	-	-	**-**
Others Dues	768	1,460	249	3,101	**5,578**
Disputed Dues - MSME	-	-	-	-	**-**
Disputed Dues - Others	-	-	5	669	**674**
Total Trade payables	**783**	**1,462**	**254**	**3,770**	**6,269**

Trade payables - Ageing (31-Mar-2024)

Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
MSME Dues	34	1	1	-	**36**
Related Parties Dues	8	3	3	166	**180**
Others Dues	1,633	198	2,311	5,479	**9,621**
Disputed Dues - MSME	-	-	-	-	**-**
Disputed Dues - Others	51	6	8	222	**287**
Total Trade payables	**1,726**	**208**	**2,323**	**5,867**	**10,124**

20 (i) The Group has disputed vendor liabilities to the extent of Rs. 674 lakhs during the year (PY - Rs. 287 lakhs) and accordingly the same has been classified as Disputed Liability.

Satchmo Holdings Limited

Notes to the consolidated financial statements for the year ended 31 March 2025

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

21 Revenue from operations

	31-Mar-2025	31-Mar-2024
Revenue from operations		
Income from property development	1,107	3,199
Sale of Flats	-	-
Sale of Projects	-	984
Building Maintenance income (Refer note no. (ii) below	74	171
Income from Sale of Shares (Refer note no. (i) below	1	47
	1,182	**4,401**

(i) The Group has engaged in the business of purchase and sale of shares as per change in the object clause of the memorandum of association of the Holding Company during the previous year.

(ii) The Group has started facility managerment service from December 2023 onwards as per the change in the object clause in the memorandum of associaiton of the Holding Company.

22 Other income

	31-Mar-2025	31-Mar-2024
Provisions no longer required written back	339	8,190
Miscellaneous Income	5	579
Business Service Charge	-	24
Interest from others	1	136
Income from sale of fixed assets	-	17
	345	**8,946**

Others

(i) The Group is in process of reconciling its debtors and creditors, accordingly excess provision lying in the books of accounts have been written back.

23 Land and construction cost

	31-Mar-2025	31-Mar-2024
Cost for sale of flats	794	2,501
Property mangagement cost	54	36
Cost for sale of projects (Refer note 44)	-	3,971
Cost on Sale of Shares- (Refer note 21(i))	1	45
	849	**6,553**

As referred in note 44, the group has exited the project, the total liabilities and the total assets taken over by the new developer has been adjusted as cost of project sold during the FY 2023-24.

24 Employee benefits expense

	31-Mar-2025	31-Mar-2024
Salaries, wages and bonus	719	697
Contribution to provident and other fund	16	17
Staff welfare expenses	5	6
	740	**720**

25 Finance costs

	31-Mar-2025	31-Mar-2024
Interest expense (Refer note 25 (i) noted below)	-	97
Processing charges and other charges	1	3
Total finance costs	**1**	**100**

(i) Finance cost includes Rs. Nil (PY - Rs. 48 Lakhs) "Interest on Micro Small and Medium Enterprises [MSME]" and Rs. Nil (PY - Rs 37 Lakhs) interest on customer refund as per the orders passed by RERA.

26 Depreciation and amortization expense

	31-Mar-2025	31-Mar-2024
Depreciation of property, plant and equipment	9	12
Amortization of intangible assets	1	1
	10	**13**

Satchmo Holdings Limited

Notes to the consolidated financial statements for the year ended 31 March 2025

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

27 Other expenses

	31-Mar-2025	31-Mar-2024
Payment to Auditors - Refer note (i) below	18	19
Power and fuel	3	17
Rent - Related parties	-	-
Rent - Others	4	9
Rates and taxes (refer note (iii) below)	311	454
Insurance	-	11
Building Maintenance Charges	-	10
Repairs and maintenance-Others	7	15
Office maintenance	4	10
Advertising and sales promotion	26	16
Travelling and conveyance	10	12
Communication costs	4	11
Printing and stationery	-	-
Directors' sitting fees	6	19
Security Charges	-	35
Expected Credit Loss against advances (Refer note 10)	-	4
Bad Debts/ Advances written off	176	2,050
Legal and Professional Charges	71	289
Provision for Doubtful Debts	-	-
Business Development expense	39	79
Dislocation Charges	9	-
Un-used assets written off	12	-
Lease rent-vehicles	13	5
Impairment Loss provision on Investment (Interest on Preference shares)	-	-
Allowance for Impairment on Capital Advances (Refer note 4.2)	-	690
Impairment Loss provision on Work in Progress	-	674
Miscellaneous expenses	51	53
Impairment Loss of Advances	538	-
Loss on Sale of Fixed Assets	-	1
	1,302	**4,483**

Note:

i) **Payments to auditors**

	31-Mar-2025	31-Mar-2024
As an auditor:		
Statutory Audit fees	12	12
Limited review fees	6	6
Tax audit fees	-	1
	18	**19**

ii) Details of CSR expenditure:

As per section 135 of the Companies Act, provisioning of CSR expenditure is not required.

iii) Rates and taxes includes Rs. 157 Lakhs (PY - Rs. 135 Lakhs) of interest provided on statutory dues.

	31-Mar-2025	31-Mar-2024
27A Exceptional Items		
Profit on sale of Investment in subsidiary	-	(17)
Loss on impairment of subsidiary	-	27
Sundry balance written back	(3,022)	-
Provisions no longer required written back	(320)	-
Sundry balances written off	129	-
	(3,213)	**10**

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

28 Income tax

	31-Mar-2025	31-Mar-2024
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of income tax of earlier year	-	(110)
	-	(110)
Deferred tax:		
Decrease / (Increase) in deferred tax assets	-	-
(Decrease) / Increase in deferred tax liabilities	-	-
	-	-
Less : Recognised in OCI	-	-
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	**-**	**(110)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2024 and 31 March 2025:

	31-Mar-2025	31-Mar-2024
Accounting profit before income tax	**1,838**	**1,468**
At statutory applicable income tax rate		
Non-deductible expenses for tax purposes:		
Adjustment on account of depreciable assets	-	-
Tax effect of amounts which are not taxable in calculating taxable income:		
Provision for doubtful debts	-	-
Adjustment in 43B	-	-
Other differences:		
Difference due to gross accounting	-	-
Other Adjustments	-	-
Recognised in OCI	-	-
	-	-

Reconciliation of deferred tax liabilities, net

	31-Mar-2025	31-Mar-2024
Opening balance	-	-
Deferred tax (credit)/charge during the period recognised in Profit & Loss	-	-
Deferred tax (credit)/charge during the period recognised in OCI	-	-
Closing balance	-	-

Related Party Disclosure

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

29 (i) List of related parties

(a) Key Management Personnel(KMP) of the company

Nitesh Shetty [Chairman and Managing Director]
S. Ananthanarayanan [Independent Director]
L.S.Vaidyanathan [Executive Director]
Prasant Kumar [Company Secretary]
Ramesh Karur Raghavendran [Executive Director Finance & Chief Financial Officer] [From 16 April 2024]
Rajeev Khanna [Executive Director Finance & Chief Financial Officer] [Till 16 April 2024]
Krishna Kumar N G [Indepedent Director]
Gayathri M N [Independent Director]

(c) Enterprises owned or significantly influenced by Key Managerial Person(KMP)

Siveda Networks Private Limited {(formerly known as Nisco Ventures Private Limited)
Bieven Technology Private Limited {(formerly known as Southern Hills Developers Private Limited) (CIN:U70102KA2006PTC040789)}
Nitesh Infrastructure and Construction
Piliventura Technologies Private Limited {(formerly known as Pushrock Environment Private Limited) (CIN:U62099KA2009PTC051756)}
Nitlogis Private Limited (CIN:U74110KA2007PTC109211)
Nitesh Residency Hotels Private Limited (CIN:U55101KA2006PTC041203)
NIRPL Ventures Private Limited (CIN:U45201KA2007PTC042660)

(ii) Transactions with related parties

Transactions with related parties	31-Mar-2025	31-Mar-2024
Rent Expenses		
Nitesh Infrastructure and Construction	-	45
Maintenance charges Billed		
Nitesh Infrastructure & construction	8	4
Maintenance charges Received		
Nitesh Infrastructure & construction	8	4
Sinking Fund Received		
Nitesh Infrastructure & construction	-	6
Reimbursement of expenses and Advances, net		
Nitlogis Private Limited	81	-
Advances received from customers		
Piliventura Technologies Private Limited (formerly known as Pushrock Environment Private Limited)	117	468
Nitesh Infrastructures & Contructions	-	17
NIRPL Ventures Private Limited	38	5,219
Managerial remuneration (Refer note 1 below)		
Nitesh Shetty	-	-
L.S.Vaidyanathan	-	-
Rajeev Khanna	-	62
Prasant Kumar	24	21
Ramesh Karur Raghavendran	62	-
Directors' sitting fees		
S. Ananthanarayanan	2	8
Krishna Kumar N G	2	8
Gayathri M N	2	4
Trade receivable written off, net		
Nitesh Residency Hotels Private Limited	445	-
Loan from others written back		
Nitesh Shetty	1	-

Satchmo Holdings Limited
Notes to the consolidated financial statements for the year ended 31 March 2025
Related Party Disclosure
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Other advances		
Siveda Networks Private Limited(formerly known as Nisco Ventures Private Limited)	99	-

(iii) Amount Outstanding as at Balance Sheet Date

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	31-Mar-2025	31-Mar-2024
Trade receivables		
L S Vaidyanathan	18	18
Loans and advances to related entites		
Nitlogis Private Limited	472	391
Advance for construction / contract		
Nisco Ventures Private Limited	-	99
Trade payables		
Nitesh Residency Hotels Private Limited	-	155
Other Advance from customers towards contract		
Nitesh Residency Hotels Private Limited	-	400
Advance from customers		
Piliventura Technologies Private Limited (formerly known as Pushrock Environment Private Limited)	272	155
NIRPL Ventures Private Limited	3,110	3,072
Unsecured loan received		
Mr. Nitesh Shetty	-	1
Trade advances		
Nitesh Residency Hotels Private Limited.	-	1,001
Managerial remuneration Payable		
Nitesh Shetty	-	-
L.S.Vaidyanathan	-	-
Prasant Kumar	1	2
Ramesh Karur Raghavendran	4	-
Advance Maintenance charges / Sinking fund Received		
Nitesh Infrastructure & construction	6	6
Directors' Sitting Fees Payable		
S. Ananthanarayanan	2	22
Krishna Kumar N G	1	13
Gayathri M N	-	2

<u>Terms and conditions of transactions with related parties</u>

1) Remuneration paid to KMP includes perquisites evaluated as per Income tax Rules and excludes provision for/contribution to gratuity and unveiled leave which are based on actuarial valuation done on an overall group basis (cannot be individually identified) are excluded in the disclosure above. Further the remuneration to KMP excludes accrual for bonus/incentives which is considered in the year in which the same is actually paid out.

2) The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the auditors.

Satchmo Holdings Limited

Notes to the consolidated financial statements for the year ended 31 March 2025

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

30	Ratios	References	31-Mar-2025	31-Mar-2024	% Variance	Reasons if variance is more than 25%
(a)	Net Current Assets	As per Balance Sheet	72,245	69,087		
	Net Current Liabilities	As per Balance Sheet	188,248	186,952		
	Current Ratio		**0.38**	**0.37**	**-3.85%**	
(b)	Total Debt	As per note 15	13,385	13,386		
	Total Equity	As per note 13	14,583	14,583		
	Debt-Equity Ratio		**0.92**	**0.92**	**0.01%**	
(c)	**Debt Service Coverage Ratio**		NA	NA		The Group is in the process of settling the debts with the. Bank and accordingly no debt was serviced during the year
(d)	Net profit after Tax	As per Statement of Profit and Loss	1,838	1,578		
	Average shareholer's equity*	As per Balance Sheet	(106,541)	(106,313)		
	Return on Equity Ratio		**(0.02)**	**(0.01)**	**-16.23%**	
(e)	Revenue from operations	As per note 21	1,182	4,401		One of the project is exited during the year, resulting in reduction in inventory amount.
	Average Inventory*	As per note 8	50,603	55,264		
	Inventory turnover ratio		**0.02**	**0.08**	**70.67%**	
(f)	Revenue from operations	As per note 21	1,182	4,401		Due to decline in operational performance, Trade receivable ratio has impacted.
	Average Trade Receivables*	As per note 10	964	108		
	Trade Receivables turnover ratio		**1.23**	**40.58**	**96.98%**	
(g)	**Trade payables turnover ratio**		NA	NA		
(h)	Revenue from operations	As per note 21	1,182	4,401		Due to decline in operational performance, the working capital utilisation have reduced.
	Average Working Capital		(116,934)	(119,095)		
	Net capital turnover ratio		**(0.01)**	**(0.04)**	**72.65%**	
(i)	Net profit after Tax	As per Statement of Profit and Loss	1,838	1,578		Due to decline in operational performance, the operational expenses have reduced resulting in increase in Net profit ratio
	Revenue from operations	As per note 21	1,182	4,401		
	Net profit ratio		**1.55**	**0.36**	**-333.68%**	
(j)	EBIT	As per Statement of Profit and Loss	1,837	1,368		Due to decline in operational performance, the Return on investment has declined.
	Capital Employed (Total Tangible Assets + Inventories)	As per Balance Sheet	61,290	60,876		
	Return on Capital employed		**0.03**	**0.02**	**-33.38%**	
(k)	Profit before Tax	As per Statement of Profit and Loss	1,838	1,468		Due to decline in operational performance, the Return on investment has declined.
	Total Investment (Net Equity + Borrowings)	As per Balance Sheet	(92,222)	(94,088)		
	Return on investment		**(0.02)**	**(0.02)**	**-27.74%**	

*Average refers to [(opening balance + closing balance)/2]

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

31 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Particulars	31-Mar-2025		31-Mar-2024	
	Fair value through OCI	Amortised Cost	Fair value through OCI	Amortised Cost
Financial assets				
Investments Measured at Fair Value through OCI				
Trade receivables	-	1,872	-	55
Cash and Cash Equivalents	-	368	-	12
Other Financial Assets	-	2,973	-	2,973
Security Deposits	-	70	-	66
	-	**5,283**	**-**	**3,106**
Financial liabilities				
Measured at amortised cost				
Current borrowings	-	13,385	-	13,386
Trade payables	-	6,269	-	10,124
Other financial liabilities	-	217	-	18
Other current financial liabilities	-	111,835	-	111,822
	-	**131,706**	**-**	**135,350**

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

The Group does not enters into any derivative financial instruments like foreign exchange forward contracts, futures , options etc, which employs the use of market observable inputs. Further, the carrying amount is a reasonable approximation of fair value for all other financial instruments such as short-term trade receivables and payables.Hence no fair value hierarchy disclosures has been provided.

There have been no transfers between the levels during the period.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

For financial assets & liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Particulars	Level	31-Mar-2025	31-Mar-2024
Financial assets/liabilities measured at fair value through OCI:			
Investment in equity instruments of Other company	3	-	-

The management assessed that the carrying values of cash and cash equivalents, trade receivables, deposits, trade payables, borrowings and other financial assets and liabilities approximate their fair values largely due to the short-term maturities.

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

32 Gratuity and other post-employment benefit plans

Particulars	Current		Non-current	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Defined Benefit Plan				
Gratuity- Unfunded	5	10	82	88
Leave Encashment	5	7	31	33
	10	**17**	**113**	**121**

The Group has a defined benefit gratuity plan (unfunded) as at 31 March 2025 and as at 31 March 2024. The Group's defined benefit gratuity plan is a final salary plan.

a) Gratuity - (Unfunded)

As at 31 March 2025 the Gratuity plan of the group is unfunded.The company is only making book provisions for the entire Gratuity Liability on the valuation and follows a pay as you go" system to meet the liabilities as and when they fall due. Therefore the scheme is fully unfunded, and no assets are maintained by the group and asset values are taken as zero; there is liquidity risk in that they may run out of cash.

b) Cost of Long term benefit by way of accumulated compensated absence arising during the service period of employees is calculated based on cost of service and the pattern of leave availment. The present value of obligation towards availment under such long term benefit is determined based on the actuarial valuation carried on by an Independent Actuary using projected limit credit method as at the close of accounting period. The Company is providing liability as per actuarial valuation in its books of account as the plan is not funded.

The following tables summarize the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

i. Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2025 :

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
Particulars	01-Apr-2024	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31-Mar-2025
Defined benefit obligation	97	12	7	19	-	-	-	-	(29)	(29)	-	87
Fair Value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**97**	**12**	**7**	**19**	**-**	**-**	**-**	**-**	**(29)**	**(29)**	**-**	**87**

ii. Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2024 :

	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
Particulars	01-Apr-2023	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31-Mar-2024
Defined benefit obligation	87	12	6	18	(12)	-	-	-	4	4	-	97
Fair Value of Plan Asset	-	-	-	-	12	-	-	-	-	-	(12)	-
Benefit liability	**87**	**12**	**6**	**18**	**(24)**	**-**	**-**	**-**	**4**	**4**	**12**	**97**

Satchmo Holdings Limited

Notes to the consolidated financial statements for the year ended 31 March 2025

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

iii. The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the Group's plans are shown below:

Particulars	31-Mar-2025	31-Mar-2024
Discount rate	6.88%	7.22%
Future salary increases	6.00%	6.00%
Attrition Rate	10.00%	10.00%
Expected rate of return of assets	0.00%	0.00%
Mortality	Indian assured lives mortality(2012-14) (Ultimate)	Indian assured lives mortality(2012-14) (Ultimate)
Withdrawal rate	-	-
- from age 50	7.50%	7.14%
- from age 55	5.00%	4.76%
-from age 60	2.50%	2.38%
-from age 65	1.25%	1.19%

iv. A quantitative sensitivity analysis for significant assumption as at 31 March 2025 is as shown below:

	31-Mar-2025				31-Mar-2024			
Asssmumtions	**Discount Rate**		**Salary Growth Rate**		**Discount Rate**		**Salary Growth Rate**	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Sensitivity Level	+100 basis point	-100 basis point	+100 basis point	-100 basis point	+100 basis point	-100 basis point	+100 basis point	-100 basis point
Impact on defined benefit obligation - Gratuity	-5.99%	6.74%	6.40%	-5.90%	-5.98%	6.74%	6.40%	-5.89%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

v. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31-Mar-2025	31-Mar-2024
Year 1	5	10
year 2	5	10
year 3	7	5
year 4	6	6
year 5	14	6
year 6 to 10	22	34
Above 10 years	27	26
Total expected payments	**87**	**97**

The defined benefit obligations have the undermentioned risk exposures-

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Satchmo Holdings Limited

Notes to the consolidated financial statements for the year ended 31 March 2025

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

33 Segment information

Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors of the Holding Company is identified as the Chief Operating Decision Maker ("CODM"), CODM evaluates the performance of the group based on the below operative segment for the purpose of allocation resources and evaluating financial performance.

The Holding Company is domiciled in India. The amount of its revenue from external customers broken by location of the customers is shown in the table below. There are no material assets held by the Holding Company outside India.

The Operative segment comprises of the following:
1) Investment and trading in equities
2) Service business of facilities / manpower / catering / restaurants activities
3) Others

	For the year ended 31 March 2025				For the year ended 31 March 2024			
Particulars	**Investment and trading in equities**	**Service business of facilities / manpower / catering / restaurants activities**	**Others**	**Total**	**Investment and trading in equities**	**Service business of facilities / manpower / catering / restaurants activities**	**Others**	**Total**
Segment Revenue:								
External Customers	1	74	1,107	1,182	47	171	4,183	4,401
Inter-segment revenue	-	-	-	-	-	-	-	-
Total Revenue	**1**	**74**	**1,107**	**1,182**	**47**	**171**	**4,183**	**4,401**
Segment Results:								
Profit/(loss) before tax and interest	-	20	1,474	1,494	2	135	(7,515)	(7,378)
Add: Other Income (including interest income)	0	-	345	345	-	-	8,946	8,946
Less: Finance cost			1	1	-	-	100	100
Profit/(Loss) before tax	**-**	**20**	**1,818**	**1,838**	**2**	**135**	**1,331**	**1,468**
Segment Assets	-	-	54,446	54,446	-	59	50,733	50,792
Unallocated				28,525				28,825
				82,971				**79,617**
Segment Liabilities	-	-	136,887	136,887	-	1,055	135,025	136,080
Unallocated				51,691				51,011
				188,578				**187,091**
Capital Assets Purchased*			201	**201**			48	**48**
Depreciation and amortization:			10	**10**			14	**14**

* Capital expenditure consists of addition of property, plant and equipment, investment property, intangible assets, intangible assets under development and CWIP.

Segment Policies:

1) Segment revenue and expenses are directly attributable to the segment except for certain expenses which are in the nature of common expenses. Common expenses have been allocated to the business segments on a reasonable basis.

2) Segment assets and liabilities include all operating assets and liabilities used by a segment.

34 Earnings per share ['EPS']

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31-Mar-2025	31-Mar-2024
Profit / (Loss) after tax attributable to shareholders (Amount Rs. in lakhs)	1,838	1,578
Weighted average number of Equity Shares outstanding during the year	145,832,100	145,832,100
Effect of dilution:	-	-
Weighted average number of Equity Shares	145,832,100	145,832,100
Basic and Diluted Earnings per share [Rs.] (Face value Rs. 10 per share)	1.26	1.08

35 Contingent liabilities

A.The Group have the following Contingent liabilities on the reporting date in respect of:

(i)(a). Claims against the Group pending applellate/judicial decision not acknowledged as debts:

Particulars	31-Mar-2025	31-Mar-2024
Claims against the Group not acknowledged as debts in respect of		
- Income-tax	315	1,422.00
- Karnataka Value Added Tax	274	274
- GST	908	1,431
	1,497	**3,127**

(i)(b). Following is the summary of financial exposure of cases filed against the group by customers,vendors and other business associates:

Customers-		
a. Seeking Possession of Property	-	45
b. Seeking Refund	-	-
c. Seeking Compensation for project delay	-	505
Vendors-		
a. Seeking Recovery of Dues	857	936
Lenders		
- Penal interest on loan outstanding	-	-
	857	**1,486**

B.Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	31-Mar-2025	31-Mar-2024
Estimated amount of contracts remaining to be executed on projects (net of advances) and not provided for	-	417

Notes :

a. The Group has entered into various joint development agreements wherein, on completion of all obligations of the land owner and possession of land to the Group, the Group is required to construct and develop the entire property and hand over an agreed proportion of the built up area to the land owner as a consideration for the undivided share in land transferred to the Group.

b. The Group has provided support letters to subsidiary companies wherein it has accepted to provide the necessary level of financial support to enable the company to operate as a going concern and meet its obligations as and when they fall due.

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

36 Disclosure as required under Micro Small and Medium Enterprises Act , 2006(MSME Act)

Particulars	31-Mar-2025	31-Mar-2024
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	17	36
Interest due on above	256	291
(ii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	51
(iii) The amount of interest accrued and remaining unpaid at the end of each accounting year.	256	342

Note :The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 is disclosed to the extent such parties have been identified on the basis of the information available with the company. Interest is not provided for the claims which are under dispute.

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

37 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Holding Company. The primary objective of the Group's capital management is to maintain strong credit rating and heathy capital ratios in order to support its business and maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio minimal. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations. Further, advances received from customers pursuant to agreements, wherein the Group has committed prescribed return to customers contingent on exercise of the option given to such customers on expiry of the prescribed time period, including the amount of such return accrued by the company using effective interest method has been considered as part of net debt by the Group.

	31-Mar-2025	31-Mar-2024
Borrowings	13,385	13,386
Trade payables	6,269	10,124
Other payables	111,835	111,822
Less: Cash and cash equivalents	(368)	(12)
Net debt (A)	**131,122**	**135,320**
Equity	14,583	14,583
Equity Share Capital	(120,190)	(122,057)
Euity (B)	**(105,607)**	**(107,474)**
Equity plus Net debt [C=A+B]	**25,515**	**27,846**
Gearing ratio [D=A/C]	514%	486%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been defaults in the payments of Interest and principal for loans from banks, financial institutions and Debenture. (Refer Note 15)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

38 Financial risk management objectives and policies

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analyses in the following sections relate to the position As at 31 March 2025 and 31 March 2024. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives.

The analyses exclude the impact of movement in market variables on: the carrying values of gratuity and other postretirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis:

1. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2025 and 31 March 2024.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

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

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis	Effect of profit before tax
31-Mar-2025		
INR	+50	0
INR	-50	0

	Increase/decrease in basis	Effect of profit before tax
31-Mar-2024		
INR	+50	0
INR	-50	0

iii. Credit risk

Financial Instrument and Cash Deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and loans are given only within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Holding Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Holding Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.The Group's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2024 and 31 March 2025 is the carrying amounts.

iv. Liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	On demand	**Less than 1 year**	**1 to 2 years**	**2 - 3 years**	**> 3 years**	**Total**
Year ended 31-Mar-2025						
Borrowings	13,385					13,385
Trade and other payables		783	1,462	254	3,770	6,269
Loan and advances from related parties repayable on demand	-	-	-	-	-	-
Year ended 31-Mar-2024						
Borrowings	13,386					13,386
Trade and other payables		1,726	208	2,323	5,867	10,124
Loan and advances from related parties repayable on demand	-	-	-	-	-	-

39 Financial instruments- accounting classification and fair value measurement

The carrying values of trade and other receivables, other assets, cash and short term deposits, tarde and other payables based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are re-priced frequently.

Group's assets and liabilities which are measured at amortised cost

Particulars	**31-Mar-2025**		**31-Mar-2024**	
	Carrying Value	**Amortised Cost**	**Carrying Value**	**Amortised Cost**
Financial Assets				
Trade Receivables	1,872	1,872	55	55
Cash and Cash equivalents	368	368	12	12
	2,240	**2,240**	**67**	**67**
Financial Liabilities carried at amortised costs:				
Current borrowings	13,385	13,385	13,386	13,386
Trade payables	6,269	6,269	10,124	10,124
Other Financial Liability	111,835	111,835	111,822	111,822
	131,489	**131,489**	**135,332**	**135,332**

Satchmo Holdings Limited

Notes to the consolidated financial statements for the year ended 31 March 2025

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

40 Group Information

The consolidated financial statements of the Group includes the following components:

(a) Subsidiaries

Name of the Entity	Principal Activities	Country of Incorporation / Principal place of business	% of equity interest held by the Group	
			31-Mar-2025	31-Mar-2024
Northroof Ventures Private Limited	Real Estate Development	India	100% *	100% *
Marathalli Ventures Private Limited	Real Estate Development	India	100%	100%
Satchmo Foods Private Limited	Food Processing	India	100%	0%

* Satchmo Holds 89.9 % and Marathalli holds 10.1%

41 For three residential projects (British Colombia, Hunter Valley, Chelsea) launched in prior to the effective date of RERA Act. Pending approval of sanction plan and certificate of commencement as well as prevalent adverse market condition of real estate business, the company has not registered the said projects under RERA Act. The Group has exited from British Columbia and Chelsea projects during the FY 2023-24 and is in the process of exiting Hunter Valley project.

42 Recent Pronouncements

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standard) Rules, as issued from time to time. For the year ended 31 March 2025, MCA has notified IND AS 117 Insurance Contracts and amendments to IND AS 116 Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f 1 April 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

43 Going Concern

The Group has incurred losses over the years resulting in negative net worth, negative working capital and negative cash flows. The Group has defaulted in payment of dues to banks, financial institutions and creditors etc. The adverse market environment and Government rules and regulations has slowed down the real estate business during the recent past. As a result, the Group has suspended the development of certain projects to cope-up with present market condition and to recover from the financial stress. Management believe that the real estate market will be improved on domestic as well as overseas demand on the change of public mind set as well as Government initiative to increase the public expenditure with parallel growth of economy. On the expectation of changing scenario the accounts of the Group have been continued to be prepared on going concern basis for the continuing operation and to realize the assets and discharge the liabilities under normal course of business. These consolidated financial statements have been prepared on a going concern basis notwithstanding accumulated losses as at the balance sheet date and a negative net current assets situation. As per the managment with these exits of residential projects and the debt coming down, the company is hopeful of revival in the coming years.

44 Sale of projects

<u>During the Year 2024-25</u>

During the month of March 2025 the Company signed an MOU with a New Developer for exiting Plaza and Soho real estate projects and has also received initial advance for the same.

<u>During the Year 2023-24</u>

During the year the Company had exited British Columbia project and had cleared the loan in relation to the project.

45 Divestment of investments

During the previous year, The Group has divested 100% of its holding in Lucetio Primary Manpower Private Limited (formerly knhown as Lob Facilities Management Private Limited). Consequent to said divestment Lucetio Primary Manpower Private Limited ceased to be the subsidiary of the Company as on 30 November 2023. Hence, the previous year figures include the balances of said subsidiary as well.

46 Prior year comparatives

The figures of the previous year have been regrouped/reclassified/recast, wherever necessary, to conform with the current year's classification.

for KAMG & ASSOCIATES
Chartered Accountants
Firm registration number: 311027E

Amitabha Niyogi
Partner
Membership No. 056720
UDIN : 25056720BMJTAN9323

Place: Bangalore
Date: 30 April 2025

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Nitesh Shetty
Chairman and
Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Annexure

FORM NO. AOC.1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

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

(Information in respect of each subsidiary presented with amounts in Rs.)

1		1	2	3
2	**Name of the subsidiary**	**Northroof Ventures Private Limited**	**Marathalli Ventures Private Limited**	**Satchmo Foods Private Limited**
3	The date since when subsidiary was acquired	24-Sep-2009	24-Sep-2009	28-Jan-2025
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA
6	Share capital	500	658	1
7	Reserves & surplus	(45,612)	(23,807)	(8)
8	Total assets	23,512	29,511	212
9	Total Liabilities	65,605	52,660	212
10	Investments	-	-	-
11	Turnover	1,023	-	-
12	Profit before taxation	(59)	(4)	(9)
13	Provision for taxation	-	-	-
14	Profit after taxation	(59)	(4)	(9)
15	Proposed Dividend	-	-	-
16	% of shareholding	89.90%	100.00%	100.00%

1 Names of subsidiaries which are yet to commence operations: Satchmo Foods Private Limited

2 Names of subsidiaries which holding got liquidated/sold during the previous year: None

As per our report of even date attached

for KAMG & ASSOCIATES
Chartered Accountants
Firm registration number: 311027E

for and on behalf of the Board of Directors of
Satchmo Holdings Limited

Amitabha Niyogi
Partner
Membership No. 056720
UDIN : 25056720BMJTAN9323

Nitesh Shetty
Chairman and
Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Place: Bangalore
Date: 30 April 2025

FORM NO. AOC.2

Consolidated Statement of Profit and Loss for the year ended 31st March 2025

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and rule 8(2) of 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 there to

1 Details of contracts or arrangements or transactions not at arm's length basis NIL

2 Details of material contracts or arrangement or transactions at arm's length basis

All such transactions are in the ordinary course of business of the current financial year.

As per our report of even date attached

for KAMG & ASSOCIATES
Chartered Accountants
Firm registration number: 311027E

Amitabha Niyogi
Partner
Membership No. 056720
UDIN : 25056720BMJTAN9323

Place: Bangalore
Date: 30 April 2025

for and on behalf of the Board of Directors of
Satchmo Holdings Limited
(Formerly known as NEL Holdings South Limited)

Nitesh Shetty
Chairman and
Managing Director
DIN: 00304555

L.S. Vaidyanathan
Executive Director
DIN: 00304652

Ramesh Karur Raghavendran
Executive Director &
Chief Financial Officer
DIN: 03572425

Prasant Kumar
Company Secretary
Membership No. A18603

Additional Information to Consolidated Inds-AS Financial Statements Based on the Standalone Ind-AS Financial Statements of the components of the Group

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

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

Name of the entity	Net Assets/ (Liabilities), i.e., Total Assets minus Total Liabilities				Total Comprehensive Income for the year ended 31 March 2025						Total Comprehensive Income for the year ended 31 March 2024					
	31-Mar-2025		31-Mar-2024		Share in Profit/ [Loss]		Share in Other Comprehensive Income		Share in Total Comprehensive Income		Share in Profit/ [Loss]		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of Consolidated Profit/ [Loss]	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount	As % of Consolidated Profit/ [Loss]	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent																
Satchmo Holdings Limited	90%	(94,673)	90%	(96,253)	84%	1,551	0%	29	85%	1,580	23%	356	100%	-4	22%	352
Subsidiaries (Indian)																
Northroof Ventures Private Limited	43%	(45,112)	42%	(45,053)	-3%	(59)	0%	-	-3%	(59)	5%	94	0%	-	5%	94
Marathalli Ventures Private Limited	22%	(23,149)	22%	(23,145)	0%	(4)	0%	-	0%	(4)	-20%	(361)	0%	-	-19%	(361)
Lucetio Primary Manpower Private Limited (formerly knhown as Lob Facilities Management Private Limited)	0%	-	0%	-							7%	123	0%	-	7%	123
Satchmo Foods Private Limited	0%	(8)	0%	-	0%	(9)	0%	-	0%	(9)	0%	-	0%	-	0%	-
Sub Total	**154%**	**(162,942)**	**153%**	**(164,451)**	**80%**	**1,479**	**0%**	**29**	**81%**	**1,508**	**13%**	**212**	**100%**	**(4)**	**13%**	**208**
Elimination and Consolidation Adjustments	-54%	(57,335)	-53%	(56,977)	20%	(359)	0%	-	19%	(359)	87%	(1,367)	0%	-	87%	(1,367)
Consolidated Total	**100%**	**(105,607)**	**100%**	**(107,474)**	**100%**	**1,838**	**0%**	**29**	**100%**	**1,867**	**100%**	**1,579**	**100%**	**(4)**	**100%**	**1,575**

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Our Businesses

We remain committed to investing in technology, growing our national presence and maintaining our leadership position.

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Satchmo
Holdings Limited

Satchmo Holdings Limited

(Formerly known as NEL Holdings South Limited)

Regd. Office: No. 110, A Wing, Level 1,
Andrews Building, M.G. Road, Bangalore - 560 001.
Tel: +91-080-2227 2220, W : www.satchmoholdings.in,
Email : info@satchmoholdings.in

As part of GO GREEN initiative and SAVE PLANET EARTH, the shareholders of Satchmo Holdings who have still not registered their email ids are hereby requested to register their email ids with their respective Depositories in their demat accounts in order to receive the soft copy of Annual Report by email

CAUTIONARY STATEMENT: Statements in this Annual Report describing the company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the company's operations include a downtrend in the real estate sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs.

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