

November 22, 2024

Ref.: SATCHMO/028/2023-24

To,

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

Dear Sir/Madam,

Reg: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015

Sub. : Notice of Postal Ballot seeking the consent of the shareholders of the Company

We hereby enclose a copy of the Postal Ballot Notice dated November 22, 2024 together with the Explanatory Statement which will be sent to all the Members whose names appear on the Registrar of Members/ List of Beneficial Owner as on the cutoff date i.e., Friday, November 15, 2024 seeking their consent, by way of special resolutions for:

Resolution No. 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.

The Company has engaged the services of KFin Technologies Limited (KFin) for providing e-voting facility to the Members. The voting through postal Ballot and e-voting will commence at **9:00 AM (IST) on Monday, November 25, 2024** and shall end at **5:00 PM (IST) on Tuesday, December 24, 2024** (both days inclusive).

The results of the postal ballot will be declared on or before **Thursday, December 26, 2024**.

Request you to take the same on record.

Thanking you,

Yours faithfully,

For **Satchmo Holdings Limited**
(Formerly NEL Holdings South Limited)


Prasant Kumar
Company Secretary & Chief Compliance Officer

Encl.: a/a

SATCHMO HOLDINGS LIMITED

(Formerly known as NEL Holdings South Limited)

CIN: L93000KA2004PLC033412

Satchmo

Holdings Limited

Regd. Office : No.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

POSTAL BALLOT NOTICE

[Pursuant to Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014]

TO

THE MEMBERS

SATCHMO HOLDINGS LIMITED

Notice is hereby given pursuant to and in compliance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 08, 2021, the General Circular No. 3/2022 dated May 05, 2022, the General Circular No. 11/2022 dated December 12, 2022, General Circular No. 09/2023 dated September 25, 2023 and the General Circular No. 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs ("MCA Circulars") (including any statutory modification or re-enactment thereof for the time being in force, and as amended from time to time), and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') and pursuant to other applicable laws and regulations, for obtaining approval of the members, by way of special resolution, through Postal Ballot, including electronic means ("e-Voting"), for the businesses as set out in this Notice.

The draft of the resolutions to be passed together with the statement of material facts explaining the reasons thereof, pursuant to Section 102(1) of the Act 2013, are being sent to the members in electronic form to their registered e-mail IDs.

The Company is pleased to provide the facility for voting through 'electronic means' to enable members to cast their votes through e-Voting by selecting appropriate options, in accordance with the provisions of the Act, 2013 and Regulation 44 of the Listing Regulations, 2015.

The Company, for this purpose, has engaged its Registrar and Share Transfer agent KFin Technologies Limited (RTA), an agency authorized by the Ministry of Corporate Affairs (MCA), for facilitating the members to communicate their assent or dissent through "electronic means" in respect of the resolutions.



The detailed procedures for voting through "electronic means" are given in the Notes attached herewith. The voting rights of the shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, Friday, November 15, 2024. A person who is not a member as on the cut-off date should treat this notice for information purposes only. The voting rights in respect of unclaimed shares held in Satchmo Holding Limited Unclaimed Suspense Account and Investors Education Protection Fund stand frozen in terms of Regulation 39 read with Schedule VI of the Listing Regulations, 2015 and Section 124 of the Act, 2013, respectively.

The Board of Directors (the Board) in their meeting held on Friday, November 08, 2024 has appointed Mr. Sudhindra K. S, Practicing Company Secretary (FCS No: 7909, CP No. 8190), Bengaluru as the Scrutinizer of poll for conducting the postal ballot process (voting through "electronic means") in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

Members are, therefore, requested to carefully read and follow the instructions for voting by "electronic means", namely by

- (i) casting their votes electronically during the voting period from Monday, November 25, 2024, 9.00 A.M (IST) to Tuesday, December 24, 2024, 5.00 P.M (IST) by following the procedures as explained in the Notes herein below.

The Scrutinizer will submit his consolidated report on the results of voting by means of "electronic means" to the Chairman and Managing Director of the Company as authorised, after completion of the scrutiny of voting by electronic means.

The results will be announced by the Chairman and Managing Director of the Company, as authorized, at its registered office on or before Thursday, December 26, 2024 and shall be communicated to BSE Limited ("BSE"), National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") (together the "Depositories"), KFin Technologies Limited (RTA) and will also be displayed on the Company's website at www.satchmoholdings.in, on the website of BSE Limited at www.bseindia.com, on the website of National Securities Depository Limited (NSDL): www.evoting.nsdl.com and on the website of KFin Technologies i.e. <https://evoting.kfintech.com>



The last date of voting, i.e., Tuesday, December 24, 2024 will be taken as the date of passing of the said resolutions by the members of the Company, subject to the votes cast in favour of the special resolution being not less than three times the votes cast against the resolution.

Members requiring any clarification may contact Mr. Prasant Kumar, Company Secretary at the registered office of the Company or through e-mail viz., prasant.kumar@satchmoholdings.in or cs@satchmoholdings.in.

All documents, referred to in this Notice and in the Statement of material facts referred to under Section 102(1) of the Act, 2013, are open for inspection at the Registered Office of the Company during office hours on all working days between 10.00 A.M. and 12.00 Noon upto Tuesday, December 24, 2024. Members who wish to inspect the documents are requested to send an email to Company Secretary and Chief Compliance Officer at cs@satchmoholdings.in mentioning their name, Folio no. / Client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.

This Notice have also been placed on the Company's website viz, www.satchmoholdings.in for use by the Members.



SPECIAL BUSINESS:

Resolution No. 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.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution** by means of postal ballot and E-voting:

“RESOLVED THAT pursuant to the provisions of Sections 196 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) including any statutory modification or re-enactment thereof, read with Schedule V to the Act, approval be and is hereby accorded to the re-appointment of Mr. Nitesh Shetty (DIN:00304555) as Managing Director of the Company for a further period of One year, with effect from 15th December, 2024 till 14th December, 2025.

RESOLVED FURTHER THAT subject to the provisions of Sections 196, 197 read with Schedule V of the Companies Act, 2013, Mr. Nitesh Shetty as a Managing Director of the Company, be paid such remuneration (including perquisites) and upon such terms and conditions as set out in the draft Agreement to be entered into between the Company and Mr. Nitesh Shetty with the authority to the Board of Directors (“the Board” which shall be deemed to include any Committee thereof) to alter or vary the terms and conditions of his re-appointment as may be agreed between the Board and Mr. Nitesh Shetty subject to the limits specified in Schedule V to the Act.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year or during the tenure of Mr. Nitesh Shetty as Managing Director, the remuneration (including perquisites) as set out in the aforesaid draft Agreement be paid to him as minimum remuneration, subject to the receipt of No Objection Certificate from the financial institutions including Banks.

RESOLVED FURTHER THAT subject to the provisions of Section 152 of the Companies Act, 2013, and Article 139 of the Articles of Association of the Company Mr. Nitesh Shetty shall not be liable to retire by rotation during his tenure as a Managing Director of the Company.

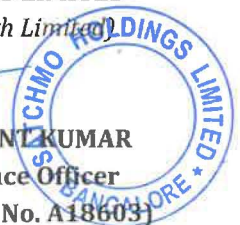
RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, expedient, usual or proper to give full effect to this resolution and to accept any modification/conditions that may be prescribed by the Central Government while according its approval, if any.”

**November 22, 2024
Bengaluru**

**Regd. Office: No. 110, A Wing, Level 1, Andrews Building,
M. G. Road, Bangalore – 560001**

By the Order of the Board of Directors
For **SATCHMO HOLDINGS LIMITED**
(formerly known as NEL Holdings South Limited)


PRASANT KUMAR
Company Secretary & Chief Compliance Officer
(Membership No. A18603)



Encls:

(1) A Statement of material facts in terms of Section 102 (1) of the Act, 2013 and the procedures for voting through "electronic means".

NOTES:

1. A Statement of material facts pursuant to the provisions of Section 102 (1) of the Act, 2013 setting out the material facts relating to the businesses to be transacted is annexed hereto. The relevant details, pursuant to Listing Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Re-appointment of Managing Director and Independent Director is annexed.
2. Notice is being sent to the members whose names appear in the register of members / list of beneficial owners on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, November 15, 2024 (cut-off date).
3. The Notice is being sent to the members in electronic form to the e-mail addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agent (in case of physical shareholding).
4. The notice of the Postal Ballot will also be placed at the Company's website www.satchmoholdings.in on the website of BSE Limited at www.bseindia.com and also on the website of www.evoting.kfintech.com.
5. Draft of the resolutions to be passed together with the statement of material facts explaining the reasons thereof, pursuant to Section 102(1) of the Act 2013, are being sent to the members in electronic form to their registered e-mail IDs
6. Member(s) whose names appear in the Register of Members / List of Beneficial Owners as on the cut-off date will be considered for e-Voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
7. The voting period will commence from **Monday, November 25, 2024** at 0900 hours IST and ends on **Tuesday, December 24, 2024** at 1700 hours IST. The e-voting module shall thereafter be disabled.
8. Resolution passed by the members through voting by electronic means shall be deemed to have been passed as if it has been passed at a general meeting of the members convened in that behalf.



9. Pursuant to the provisions of Section 110 of the Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 44 of the Listing Regulations, 2015, the Company has provided facility to members to exercise their votes through electronic means and have engaged the services of its Registrar and Share Transfer agent KFin Technologies Limited (RTA) as the Authorised Agency to provide e-Voting facility. Instructions for the process to be followed for voting through "electronic means" are annexed to the Notice.
10. The members holding shares in physical form can opt for e-Voting.
11. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date, being the date fixed for determining the voting rights of members entitled to participate in the e-Voting process through e-Voting platform provided by NSDL by typing the URL: <https://www.evoting.nsdl.com>.
12. A member cannot exercise his / her vote by proxy on Postal Ballot.
13. The Board of Directors have appointed Mr. Sudhindra K. S, Practicing Company Secretary (FCS No: 7909, CP No. 8190), Bengaluru, as Scrutinizer to conduct the Postal Ballot voting process including voting through electronic means, in a fair and transparent manner.
14. The Scrutinizer will submit his report to the Chairman and Managing Director of the Company after the completion of scrutiny, and the results of voting through electronic means will be declared by placing it along with the Scrutinizer's report on the Company's website www.satchmoholdings.in and communicated to the Stock Exchanges in which the Company's Equity Shares are listed.
15. The resolutions, if approved by the requisite majority shall be deemed to have been passed on the last date of voting, i.e., **Tuesday, December 24, 2024**.
16. 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.



17. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to einward.ris@kfintech.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport etc.) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register/ update their email addresses with relevant depository participants.
18. In accordance with the SEBI Circular - SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, it is mandatory for all holders of physical securities of the company to furnish the following documents / details to the RTA - KFin Technologies Limited, (KFin) having office at Selenium Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032, Toll Free No.: 1800-309-4001, E-mail: einward.ris@kfintech.com, Website: <https://www.kfintech.com> or <https://ris.kfintech.com/> (email einward.ris@kfintech.com):
- a) PAN
 - b) Nomination (for all eligible folios)
 - c) Complete Postal address with PIN, Mobile number, E-mail address
 - d) Bank account details (bank name and branch, bank account number, IFS code)
 - e) Specimen signature

The folios wherein any one of these cited document / details are not available on or after April 01, 2023, 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

Also SEBI vide its Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81, dated June 10, 2024 has eliminate the freezing of DEMAT Accounts for existing Investors who have not submitted their 'Choice of Nomination' and has also implified the process by reducing the mandatory information required to just three fields



19. The instructions for Members for e-voting are as under:

A) Login method for e-voting for Individual shareholders holding securities in Demat:

Holdings Limited

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

Method of Login individual shareholders holding the securities in demat mode directly from the website of depositories:

NSDL	CDSL
<p>1. User already registered for IDeAS facility:</p> <p>I. URL: https://eservices.nsd.com</p> <p>II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section.</p> <p>III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”.</p> <p>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.</p> <p>2. User not registered for IDeAS e-Services</p> <p>I. To register click on link: https://eservices.nsd.com</p> <p>II. Select “Register Online for IDeAS”</p> <p>III. Proceed with completing the required fields.</p> <p>3. User not registered for IDeAS e-Services</p> <p>I. To register click on link: https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>ii. Proceed with completing the required fields.</p> <p>4. By visiting the e-Voting website of NSDL</p> <p>I. URL: https://www.evoting.nsd.com/</p> <p>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>	<p>1. Existing user who have opted for Easi / Easiest</p> <p>I. URL:https://web.cdslindia.com/myeasi/home/login</p> <p>or</p> <p>URL: www.cdslindia.com</p> <p>II. Click on New System Myeasi</p> <p>III. Login with user id and password.</p> <p>IV. Option will be made available to reach e-Voting page without any further authentication.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p> <p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>II. Proceed with completing the required fields.</p> <p>3. By visiting the e-Voting website of CDSL</p> <p>I. URL: www.cdslindia.com</p> <p>II. Provide demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.</p>



Method of Login for individual shareholders holding the securities in demat mode through their depository participants.

Shareholders can also login using the login credentials of their demat account through Depository Participant registered with NSDL/CDSL for e-Voting facility. Once logged in, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important Note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forgot Password option available at above mentioned website.

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

Members facing any technical issue in login can contact the respective helpdesk by sending a request on the email id's or contact on the phone no's provided below:

NSDL	CDSL
Email: evoting@nsdl.co.in	Email : helpdesk.evoting@cdslindia.com
Toll free no.'s: 1800 1020 990 1800 22 44 30	Phone No: 022- 23058738 022-23058542-43

B) Login Method for e-voting procedure for Institutional Shareholders and shareholders holding securities in Physical form:

In compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108,110 and other applicable provisions of the Companies Act, 2013 read with the relevant Rules, the Company is pleased to provide e-voting facility to all its shareholders holding securities in physical form and to the Institutional Shareholders, to enable them to cast their votes electronically. The Company has engaged the services of M/s KFin Technologies Limited for the purpose of providing e-voting facility to all its members.

- i. The details of the process and manner for e-voting are given below:
 - a. Initial password is provided in the body of the email.
 - b. Launch internet browser and type the URL : <https://evoting.kfintech.com> in the address bar.
 - c. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./ DP ID Client ID will be your User ID. However, if you are already registered with M/s KFin Technologies Limited for e-voting, you can use your existing User ID and password for casting your votes.



- ii. After entering the details appropriately, click on LOGIN.
- iii. You will reach the 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 (09) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- iv. You need to login again with the new credentials.
- v. On successful login, the system will prompt you to select the EVENT i.e. **SATCHMO**.
- vi. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/ 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- vii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- viii. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- ix. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory (ies) who is/are authorised to vote, to the Scrutinizer through e-mail at sudhindracsfcs@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'CLIENT EVENT No.'
- x. Members can cast their vote online from **Monday, November 25, 2024** from 09:00 hours IST till **Tuesday, December 24, 2024** to 17:00 hours. Voting beyond the said date shall not be allowed and the e-voting facility shall be blocked.
- xi. 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.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No 1:

Mr. Nitesh Shetty was earlier appointed as Chairman & Managing Director for a period of 3 years by the Board on 14TH September, 2017, w.e.f from December 15, 2017 to December 14, 2020, on a remuneration of Rs. 1,50,00,000/- as approved by the Shareholders.

He was further re-appointed as Chairman & Managing Director of the Company for a period of two years by the Board (from December 15, 2020 to December 14, 2022) and was further re-appointed as Chairman & Managing Director of the Company for a period of one year by the Board (from December 15, 2022 to December 14, 2023), on a remuneration of Rs. 1,50,00,000/- as approved by the Shareholders.

Further, he was again re-appointed as Chairman & Managing Director of the Company for the period of 1 year by the Board w.e.f December 15, 2023 to December 14, 2024, on a remuneration of Rs. 1,50,00,000/- as approved by the Shareholders.

In view of the term of office ending on 14th December 2024, the Nomination & Remuneration Committee considered the proposal and recommend to the Board for re-appointment of Mr. Nitesh Shetty as Chairman & Managing Director for another period of One Consecutive year with effect from December 15, 2024 to December 14, 2025.

The Board further on the recommendation of the Nomination & Remuneration Committee in its meeting held on November 08, 2024 approved the re-appointment of Mr. Nitesh Shetty as Chairman & Managing Director of the Company for a period of one year by the Board (from December 15, 2024 to December 14, 2025) subject to the approval of the shareholders.

Shareholders are further informed that the re-appointment of Mr. Nitesh Shetty as Chairman & Managing Director of the Company after the expiry of the term has been done upon receipt of declaration that he is not subject to any disqualification for reappointment as Managing Director of the Company and also upon receipt of his consent regarding willingness to be re-appointed and was placed before the Board.

Shareholders of the Company are also informed that that the Company has been incurring losses since past few years with negative net worth of the Company and its group Companies.

Shareholders are further informed that the reasons for the Company incurring losses in past few years was the turn-down in the business activities and also Company has ventured into new business which is yet to commence its significant operations, apart from the shortfall in collections, leading to pressures on resources and overall debt accumulation.



Shareholders are further informed that Mr. Nitesh Shetty as Chairman & Managing 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 One Time Settlement with its lenders and also needs to plan out for turnaround of the Company including starting of new venture into food and catering business.

Shareholders are also informed that the remuneration payable to Mr. Nitesh Shetty as Managing Director of the Company shall be subject to the approval of Shareholders and upon receipt of NOC from various financial institutions including banks. Further the remuneration as proposed to the shareholders is also lower than the normal industry standard.

The re-appointment of Mr. Nitesh Shetty and the remuneration payable to him are subject to the consent of the shareholders by way of special resolution in terms of Section II (A) of Part II of Schedule V of the Companies Act, 2013, in view of the inadequacy of profits.

The material terms of the draft Agreement to be entered into between the Company and Mr. Nitesh Shetty are set out herein below :

- I. Basic salary of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) per annum.
- II. Use of telephone(s) in Mr. Nitesh Shetty'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;
- III. 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;
- IV. Reimbursement of medical expenses reasonably incurred by Mr. Nitesh Shetty and his family as approved by the Board;
- V. Reimbursement of entertainment expenses reasonably incurred by Mr. Nitesh Shetty wholly and exclusively for the purpose of the business of the Company and approved by the Board;
- VI. Eligible for Employee Group medical insurance and benefit of personal accident insurance policy, the premium of which shall be borne by the Company.
- VII. 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. Nitesh Shetty's salary as laid down in the Income-tax Rules, 1962 in force for the time being and from time to time;
- VIII. Leave on full remuneration in accordance with the rules of the Company in force for the time being and amended from time to time;
- IX. He is also eligible to participate in the Company's Employee Stock Option Plan/ Scheme, if announced; and
- X. Two club membership, the annual fee will be payable by the Company.

The expression "family" used in above shall mean Mr. Nitesh Shetty'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. Nitesh Shetty.

Save as aforesaid, Mr. Nitesh Shetty 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 Managing Director.



In the event of any loss or inadequacy of profit in any of the financial year during the revised tenure of Mr. Nitesh Shetty as Managing Director, the remuneration (including perquisites) as set out in the aforesaid draft Agreement be paid to him as minimum remuneration.

The Board including the committee thereof is authorised to alter or amend the terms of appointment and the benefits within the overall remuneration as approved supra.

The Company having inadequate profit, the approval of the Members is being sought by way of special resolution in terms of Section II (A) of Part II of Schedule V of the Companies Act, 2013 for Mr. Nitesh Shetty's, re-appointment as Managing Director and for the aforesaid remuneration proposed to be paid to him.

The Company has outstanding borrowings from Banks and Financial Institutions. As per the requirement specified under Section II (ii) Part II of Schedule V of the Companies Act, 2013, the Company shall obtain no objections from the secured creditors for the appointment and for the aforesaid remuneration payable to Mr. Nitesh Shetty and the remuneration payable to him shall be subject to the approval from the from Banks and Financial Institutions and the shareholders.

Mr. Nitesh Shetty has further provided an undertaking to the Company that he shall not accept any Salary or other Remuneration as Managing Director of the Company retrospectively from the date of re-appointment till NOC has been formally obtained.

The Board considers that the remuneration and perquisites proposed to be paid to Mr. Nitesh Shetty are commensurate with his duties and responsibilities as a Managing Director. Therefore it is recommended to consider the resolution set out at Item No.1 of the Notice for your approval.

Mr. Nitesh Shetty holds 6,52,73,350 equity shares amounting to 44.76 % of total equity share capital of the Company. Mr. Nitesh Shetty is also currently appointed as Managing Director of Nitesh Residency Hotels Private Limited.



The statement as per Section II (iv) of Part II of Schedule V to the Companies Act, 2013 and Regulation 36(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re- appointment of Mr. Nitesh Shetty as Managing Director is set out below:

I. General Information

1.Nature of industry	The Company is currently into business of trading in land and plotted development, servicing business, which comprises wide areas of facilities/ catering/restaurant along with Long-term investment and trading in equities.			
2.Date or expected date of commencement of commercial production	2004 (Date of Incorporation : 20 th February 2004)			
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 based on given indicators	Rs. Cr			
	Details	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
5.Export performance and net foreign exchange collaborations	No foreign exchange earnings on account of Export			
6.Foreign Investment or Collaboration (Amount in Rs Cr.)	FDI 2006-07 : 32.85 Cr. 2007-08 : <u>3.65 Cr.</u> Total <u>36.50 Cr.</u> During the IPO in April 2010 total amount in foreign currency collected from FII /QIB Rs. 208.86 Cr., towards Equity and Share Premium.			

II. Information about the appointee

(1) Background details	Mr. Nitesh Shetty is a Promoter Director of the Company. On graduation he ventured into business in Advertising and promoted a real estate Company in the name of Nitesh Estates Private Limited (now known as Satchmo Holdings Limited) in 2004.
(2) Past 3 (Three) Financial years remuneration	For FY 2021-22 – NIL For FY 2022-23 – NIL For FY 2023-24 – NIL For FY 2024-till date - NIL
(3) Recognition or awards	NA
(4) Job profile and his suitability	Chairman & Managing Director
(5) Remuneration proposed	<p>Proposal:</p> <p>(i) Basic salary of 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) per annum.</p> <p>(ii) Use of telephone(s) in Mr. Nitesh Shetty'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;</p> <p>(iii) 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;</p> <p>(iv) Reimbursement of medical expenses reasonably incurred by Mr. Nitesh Shetty and his family and approved by the Board;</p> <p>(v) Reimbursement of entertainment expenses reasonably incurred by Mr. Nitesh Shetty wholly and exclusively for the purpose of the business of the Company and approved by the Board;</p> <p>(vi) Eligible for Employee Group medical insurance and benefit of personal accident insurance policy, the premium of which shall be borne by the Company.</p> <p>(vii) 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. Nitesh Shetty's salary as laid down in the Income-tax Rules, 1962 in force for the time being and from time to time;</p> <p>(viii) Leave on full remuneration in accordance with the rules of the Company in force for the time being and amended from time to time;</p> <p>(ix) He is also eligible to participate in the Company's Employee Stock Option Plan/ Scheme, if announced; and</p> <p>(x) Two club membership, the annual fee will be payable by the Company.</p>

The expression "family" used in above shall mean Mr. Nitesh Shetty'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. Nitesh Shetty.
Save as aforesaid, Mr. Nitesh Shetty 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 Managing Director.

(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)

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

(7) Pecuniary relationship directly/ 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. Nitesh Shetty is not related to any Director 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:	<p>The Company's Ongoing projects (on a consolidated basis)</p> <p>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.</p> <p>The Company is currently planning to diversify its business and scouting for a partner for raising funds through its subsidiary as Special Purpose Vehicle.</p> <p>The Company is selectively looking at opportunities into new geographies and businesses for a sustainable growth</p> <p>The Company is also looking for leasing out space for its catering business.</p> <p>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.</p>
(3) Expected increase in productivity and profits in measurable terms	NA
(4) Date of first Appointment as Director	Since Incorporation (Appointed as Managing Director since December 15, 2006)
(5) Name of listed entities in which the person also holds the directorship	NIL
(6) Membership of Committees in Listed Companies	Satchmo Holdings Limited - Stakeholders Relationship Committee - Member
(7) No. of shares held in the Company as on the date of the notice	6,52,73,350 equity shares amounting to 44.76 % of total equity share capital of the Company



None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs other than Mr. Nitesh Shetty is concerned or interested in the Special Resolution set out at item no. 1 of the accompanying notice.

All documents pertaining to the appointment will be available for inspection at the Registered Office of the Company and any members who wish to inspect can send an email to cs@nelholdings.in.

November 22, 2024
Bengaluru

By the Order of the Board of Directors
For **SATCHMO HOLDINGS LIMITED**
(formerly known as NEL Holdings South Limited)



**Regd. Office: No. 110, A Wing, Level 1, Andrews Building,
M. G. Road, Bangalore – 560001**

PRASANT KUMAR
Company Secretary & Chief Compliance Officer
(Membership No. A18603)