

KATI PATANG LIFESTYLE LIMITED

(Formerly known as Virtualsoft Systems Limited)

Annual Return for the Financial year 2024-25

BOARD OF DIRECTORS:

Mr. Gokul Naresh Tandan

Managing Director & Chairperson (Originally appointed on 31st July 2000 as director & 27th June 2025 as MD & chairperson for a term of 5 years expiring on 30th July 2030)

Mr. Shantanu Upadhyay

Joint Managing Director & CEO

(Originally appointed on 14th November 2024 as Director on 27th June 2025 as JMD & CEO for a term of 5 years expiring on 27th June 2030)

Mr. Rajendra V. Kulkarni

Director

(Appointed on 1st July 2002)

Mr. Vikram Grover

Independent Director

(Appointed on 12th August 2022 for a term of 5 years)

Ms. Geeta Singh

Woman Director & Independent Director

(Appointed on 28th August 2023 for a term of 5 years)

Mr. Sanjay k Jain

Independent Director

(Appointed on 14 November 2024 for a term of 5 years)

Company Secretary

Mr. Sanjeev K Jha (appointed w.e.f. 1st April 2025)

Chief Financial Officer

Mr. Athar Ahmad (appointed w.e.f. 14th August 2014)

Statutory Auditors

Rajesh Raj Gupta & Associates LLP, Chartered Accountants, 412A, Chiranjiv Tower, Nehru Place, New Delhi-110019 (appointed for a term of 5 Year upto FY 2028-29)

Secretarial Auditors

Saket Billa & Associates, Company Secretaries, 22/113, Patel Nagar, New Delhi-110008

(Appointed on 27th June 2025 for a term of 5 years upto FY 2029-30)

Registrar & Share Transfer Agent

Mas Services Pvt. Ltd.

T-34, Okhla Ind. Area Phase-2, New Delhi-110020

Registered Office

S-101, Panchsheel Park, New Delhi-110 017

Corporate Office

504, Savitri Cinema Complex, Greater Kailash-II, New Delhi-110048

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NOTICE

Notice is hereby given that the Thirty-Third (33rd) Annual General Meeting of the Members of the Company will be held on Tuesday, September 30, 2025 at 9:00 a.m. through video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Balance Sheets as at March 31, 2025 and the Profit & Loss Account & Cash Flow statement for the year ended as on that date and the Reports of Auditors and Directors thereon.**
- 2. To appoint a Director in place of Rajendra V Kulkarni (DIN 00988255), who retires by rotation and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

- 3. To appoint M/s Saket Billa & Associates, Company Secretary as Secretarial Auditor of the Company.**

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

RESOLVED THAT pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), other applicable laws/statutory provisions, if any, as amended from time to time, M/s Saket Billa & Associates, Company Secretary in Practice (COP No. 21904, Peer review no. 4485/2023) be and is hereby appointed as Secretarial Auditor of the Company for a term of five consecutive years commencing from financial year 2025-26 till financial year 2029-30, at such fees, plus applicable taxes and other out-of-pocket expenses as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditor.

RESOLVED FURTHER THAT the Board be and is hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be deemed necessary, proper, expedient or desirable for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.

- 4. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS.**

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

RESOLVED THAT pursuant to the provisions of Regulation 2(1) (zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by

way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, for the following arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) to be entered into by the Company for the financial year 2025-26 & any transactions entered into with the parties before the Annual General Meeting be and are hereby ratified.

Details of Related Party Transactions/ Arrangements/ Contracts per Financial Year.

S. No	Name of Related Party	Nature of Relationship	Type of Transaction(s)	Maximum Value of Transaction for Financial Year
1.	Mr. Gokul Naresh Tandan	Chairman & Managing Director	Receipt of Unsecured Loan from him and payment of Interest or principal thereon	As required as per decision to be taken by Chairman for any amount not exceeding INR 10,00,00,000 (Ten Crore)
2.	M/s Empyrean Spirits Pvt Ltd	Subsidiary company	Investment in equity	As required as per decision to be taken by Chairman for any amount not exceeding INR 15,00,00,000 (Fifteen Crore)
3.	M/s Empyrean Spirits Pvt Ltd	Subsidiary company	Grant of loan and receipt of repayment of loan	As required as per decision to be taken by Chairman for any amount not exceeding INR 10,00,00,000 (Ten Crore)
4	Any other company/ Firm/ individual as required as per decision to be taken by Chairman on approval by audit committee.	Related party	Grant/receipt of loan & receipt/repayment of interest or principal thereon	As required as per decision to be taken by Chairman for any amount not exceeding INR 10,00,00,000 (Ten Crore)

RESOLVED FURTHER THAT Mr. Gokul Naresh Tandan, Chairman of the company be and is hereby authorized to take a decision on parties, amount, whether interest will be charged/paid or whether interest free, whether one time or in trenches within the limit mentioned hereinabove.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

5. APPOINTMENT OF MR. GOKUL NARESH TANDAN (DIN:00441563) AS CHAIRMAN AND MANAGING DIRECTOR

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 including any statutory modification or re-enactment thereof, or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), permission(s) and approval(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorised by the Board in this behalf), and as re-appointed by the Board on 27th June 2025 for a fresh term of 5 (five) years, consent of the Members be and is hereby accorded to appoint Mr. Gokul Naresh Tandan (DIN: 00441563) as Chairperson and Managing Director of the Company for a period of Five years with effect from 31st July 2025 & to hold the office of Managing Director and Chairperson till 30th July 2030, on the terms and conditions as set out in the Employment agreement with liberty to Board, to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Gokul Naresh Tandan, subject to the same not exceeding the limits specified under Schedule V of the

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Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.

RESOLVED FURTHER THAT notwithstanding anything herein, where in any financial year during the tenure of the MD, the Company has no profits or its profits are inadequate, the Company may subject to receipt of the requisite approvals including approval of Central Government, if any, pay to the MD, the agreed remuneration as the minimum remuneration by way of salary, perquisites, performance pay, other allowances and benefits as specified in the Employment agreement and the that the perquisites pertaining to contribution to Provident Fund, Superannuation Fund or Annuity Fund, Gratuity and Leave Encashment shall not be included in the computation of the ceiling on remuneration specified in Schedule V of the Companies Act, 2013.

RESOLVED THAT pursuant to section 196(3) 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), consent of the Members of the Company be and is hereby accorded for holding & continuation of office of Managing Director by Mr. Gokul Naresh Tandan (DIN: 00441563) upon & after attaining the age of 70 (Seventy) years.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

6. APPOINTMENT OF MR. SHANTANU UPADHYAY (DIN:07709657) AS JOINT MANAGING DIRECTOR & CEO

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 including any statutory modification or re-enactment thereof, or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), permission(s) and approval(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorised by the Board in this behalf), consent of the Members be and is hereby accorded to appoint Mr. Shantanu Upadhyay (DIN: 07709657) as Joint Managing Director & CEO of the Company for a period of Five years with effect from appointment by the Board on 27th June 2025 & to hold the office of till 27th June 2030, on the terms and conditions as set out in the Employment agreement with liberty to Board, to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Shantanu Upadhyay, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.

RESOLVED FURTHER THAT notwithstanding anything herein, where in any financial year during the tenure of the MD, the Company has no profits or its profits are inadequate, the Company may subject to receipt of the requisite approvals including approval of Central Government, if any, pay to the MD, the agreed remuneration as the minimum remuneration by way of salary, perquisites, performance pay, other allowances and benefits as specified in the Employment agreement and the that the perquisites pertaining to contribution to Provident Fund, Superannuation Fund or Annuity Fund, Gratuity and Leave Encashment shall not be included in the computation of the ceiling on remuneration specified in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

7. APPROVAL FOR KATI PATANG LIFESTYLE EMPLOYEE STOCK OPTION SCHEME – 2025.

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

RESOLVED THAT pursuant to the Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made there under (including any amendment(s), statutory modification(s) or re-enactment thereof) ["Companies Act"], Regulation 6(1) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ["SEBI (SBEB & SE) Regulations, 2021"], relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations"], relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and / or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded for approval Kati Patang Lifestyle Employee Stock Option Scheme – 2025 ("**Scheme**") and the Board of Directors (*hereinafter referred to as the "**Board of Directors**" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution*) be and is hereby authorised to create, grant, offer, issue and allot under the Scheme, in one or more tranches, not exceeding 45,00,000 (Forty-Five Lakhs) Employee Stock Options ("**Options**") (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to or for the benefit of Employees and Directors of the Company, its Subsidiary or Associate Company, in India or outside India, or of a Holding Company of the Company and to such persons as may, from time to time, be allowed to be eligible for the benefits of the Scheme (as permitted under the applicable), exercisable into not more than 45,00,000 (Forty-Five Lakhs) Equity Shares ("**Shares**") of face value of Rs. 10 /- each, on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT the Scheme shall be administered by the Nomination and Remuneration Committee of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations, 2021.

RESOLVED FURTHER THAT the Scheme shall be implemented through direct route, for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorized to issue and allot Shares upon exercise of Options from time to time in accordance with the Scheme and such Shares shall rank pari passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, the outstanding options to be granted under the Scheme shall be suitably adjusted for the number of options as well as the exercise price in a fair and reasonable manner, in accordance with the Scheme.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance with the SEBI (SBEB & SE) Regulations, 2021 and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

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RESOLVED FURTHER THAT the Board of Directors be and are hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors are authorized to do for the purpose of giving effect to this resolution.

8. APPROVAL FOR GRANT OF OPTIONS TO EMPLOYEES OF SUBSIDIARY COMPANY, IN INDIA OR OUTSIDE INDIA, OF THE COMPANY UNDER KATI PATANG LIFESTYLE EMPLOYEE STOCK OPTION SCHEME – 2025.

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

RESOLVED THAT pursuant to the Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made there under (including any amendment(s), statutory modification(s) or re-enactment thereof) [**“Companies Act”**], Regulation 6(3)(c) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [**“SEBI (SBEB & SE) Regulations, 2021”**], relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**“SEBI (LODR) Regulations”**], relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and / or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded to Board of Directors (*hereinafter referred to as the “Board of Directors” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution*) to extend the benefits of Kati Patang Lifestyle Employee Stock Option Scheme – 2025 (**“Scheme”**) including the grant of Employee Stock Options (**“Options”**) and issuance of the Equity Shares (**“Shares”**) thereunder, to such Employees and Directors of the Subsidiary Company, in India or outside India, of the Company and to such other persons as may, from time to time, be allowed to be eligible for the benefits of the Scheme (*as permitted under the applicable laws from time to time*) at such price and on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorized to issue and allot Equity Shares upon exercise of Options from time to time in accordance with the Scheme and such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution.”

Item No. 9 - To approve the grant of ESOP Options exceeding one percent of the issued capital of the Company:

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

RESOLVED THAT pursuant to the Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made there under (including any amendment(s), statutory modification(s) or re-enactment thereof) [**“Companies Act”**], Regulation 6(3)(d) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [**“SEBI (SBEB & SE) Regulations, 2021”**], relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**“SEBI (LODR) Regulations”**], relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and /

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or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded to Board of Directors (*hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution*) to create, grant, offer, issue and allot under the Kati Patang Lifestyle Employee Stock Option Scheme – 2025 ("**Scheme**") the Employee Stock Options ("**Options**"), convertible into Equity Shares ("**Shares**"), equal to or exceeding 1% (one percent) of the issued capital of the Company (excluding outstanding warrants and conversions, if any) at the time of grant of Options, to an identified Employees, on an individual basis, as mentioned below, on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme:

RESOLVED FURTHER THAT the ESOP Options are being issued to **Ms. LATA UPADHYAY** owing to her employment in Empeyan Spirits Private Limited (subsidiary of Company). The details of remuneration to be payable in the form of ESOP Options are set out below:

Employee Stock Options	The committee/Board may grant any number of options to Ms. LATA UPADHYAY (Co-founder and Chief Brand Officer) not exceeding 22,50,000 (Twenty Two Lakh Fifty Thousand Only) Options that can be converted to a maximum of 22,50,000 (Twenty Two Lakh Fifty Thousand Only) equity shares of face value of Rs. 10/- (Rupees Ten only) of the Company under ESOP Plan (subject to approval of such plan by the members of the Company) and will be entitled to participate in various employee incentive plans, including any employee stock options plans, as may be announced by the Company from time to time at the discretion of the Board.
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RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorized to issue and allot Equity Shares upon exercise of Options from time to time in accordance with the Scheme and such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

**By Order of the Board of Directors
KATI PATANG LIFESTYLE LIMITED**

**Sd/-
Gokul Tandan
Chairperson & Managing Director
Dated: September 05, 2025**

NOTES:

1. In view of the continuing Covid-19 pandemic and social distancing norms to be followed, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2023 read with circulars dated April 8, 2023 and April 13, 2023 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. 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 and the proxy need not be a Member of the Company. In terms of MCA

Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act, will not be available for the AGM and, hence, the Proxy Form and Attendance Slip are not annexed to this Notice. The Board of Directors has appointed Mr. Saket Billa, Practicing Company Secretary (CP No. 21904) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

3. Corporate members intending to attend the AGM through authorized representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorizing the representatives to attend and vote at the Annual General Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to saket@saketb.com with a copy marked to evoting@nsdl.co.in.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 is annexed.
6. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 1% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 23, 2025 to Monday, September 29, 2025 (both days inclusive).
8. Members are requested to kindly notify the change of address, if any to the Company/ the Registrar / Depository Participant.
9. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2023, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.katipatang.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.
10. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to CFO, at email id cs@iamkatipatang.com at least one week before the meeting.
11. The documents referred to in the proposed resolutions are available for inspection at the Office of the Company during normal business hours on any working day except Saturdays, up to the date of meeting.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company/Registrar.
13. Members who hold shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar, for consolidation into a single folio.
14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2023, the Annual Report including audited financial statements for the financial year 2025 including notice of 33rd AGM is being sent only through electronic mode to those Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. In case you have not registered your email id with depository or RTA you may registered your email id in following manner.

Physical Holding	Send a signed request to Registrar and Transfer Agents of the Company, MAS Services Limited at investor@masserv.com providing Folio number, Name of the shareholder, scanned copy of the share certificate (Front and Back), PAN (Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) for registering email address.
Demat Holding	Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.

15. Voting through electronic means:

(1) In compliance with the provisions of Regulation 44 of the Listing Regulations and Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 Company is offering e-voting facility to its members.

(2) **The remote e-voting period begins on Saturday, September, 27, 2025 at 9:00 A.M. and ends on Monday, September, 29, 2025 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Tuesday, September 23, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, September 23, 2025.**

(3) Detailed procedure is given in the enclosed letter.

INSTRUCTION FOR REMOTE EVOTING, EVOTING AND JOINING OF AGM THROUGH VIDEO CONFERENCING

- (i) The shareholders need to visit the e-voting website of NSDL <http://www.evoting.nsdl.com/>.
- (ii) Click on “Shareholders” module.
- (iii) Now enter your User ID
 - a. For NSDL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evoting.nsdl.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence/PAN number which is mentioned in email.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> ● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other company for which they are eligible to vote, provided

that the company opts for e-voting through NSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For shareholders holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the Kati Patang Lifestyle Limited.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same, the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution on which you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

PROCESS FOR THOSE SHAREHOLDERS WHO WISH TO OBTAIN LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE BUT WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES:

1. For Physical shareholders- Kindly send an email with a scanned request letter duly signed by 1st shareholder, scan copy of front and back of one share certificate, copy of PAN card and Aadhar card to info@masserv.com
2. For Demat shareholders - Kindly update your email id with your depository participant and send copy of client master to info@masserv.com

INSTRUCTIONS FOR JOINING MEETING THROUGH VC:

- (i) To join the meeting, the shareholders should log on to the e-voting website <http://www.evoting.nsdl.com/> and login as explained above. After logging-in, kindly click on 'live streaming' tab and you will be redirected to 'cisco' website.

In the “Name” field - Put your USERID as informed in e-email..

In the “last name” field - Enter your Name

In the “Email ID” field - Put your email ID

In the “Event password” field - Put the password as “NSDL@1234”

Click join now button.

Now screen will be displayed for downloading CISCO driver for VC. Please click on run temporary file download. Downloading of driver will be start open driver and click on run. Event will start and you will be in the AGM through Video conferencing. You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the webex meet app from the respective play store .

PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:

1. System requirement:
 - ✓ Windows 7, 8 or 10
 - ✓ I3
 - ✓ Microphone, speaker
 - ✓ Internet speed minimum 700 kbps
 - ✓ Date and time of computer should be current date and time

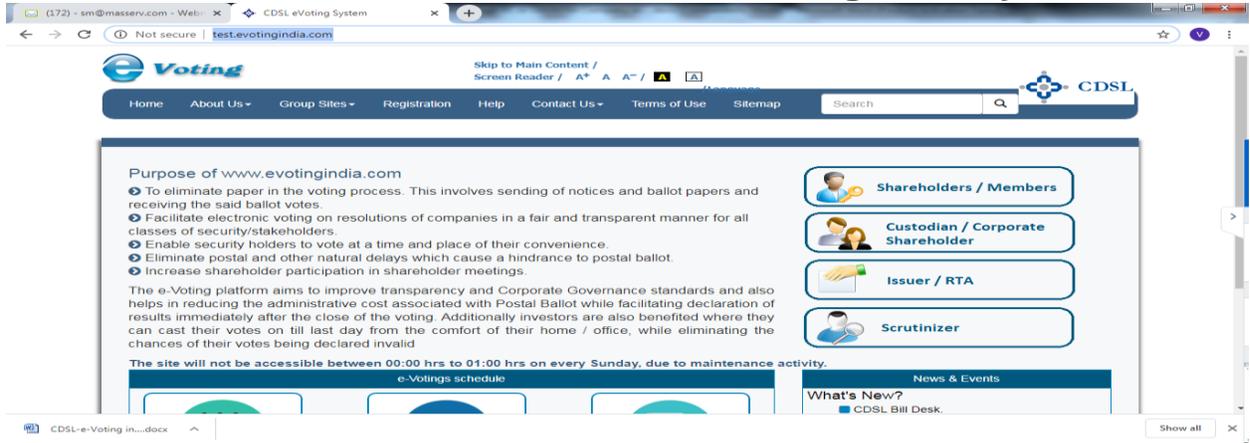
PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE:

- ✓ Please download webex application from play store

NOTE:IT IS ADVISABLE TO LOGIN BEFOREHAND AT E-VOTING SYSTEM AS EXPLAINED IN E-VOTING INSTRUCTIONS ABOVE,TO BE FAMILIAR WITH THE PROCEDURE, SO THAT YOU DO NOT FACE ANY TROUBLE WHILE LOGGING-INDURING THE AGM.

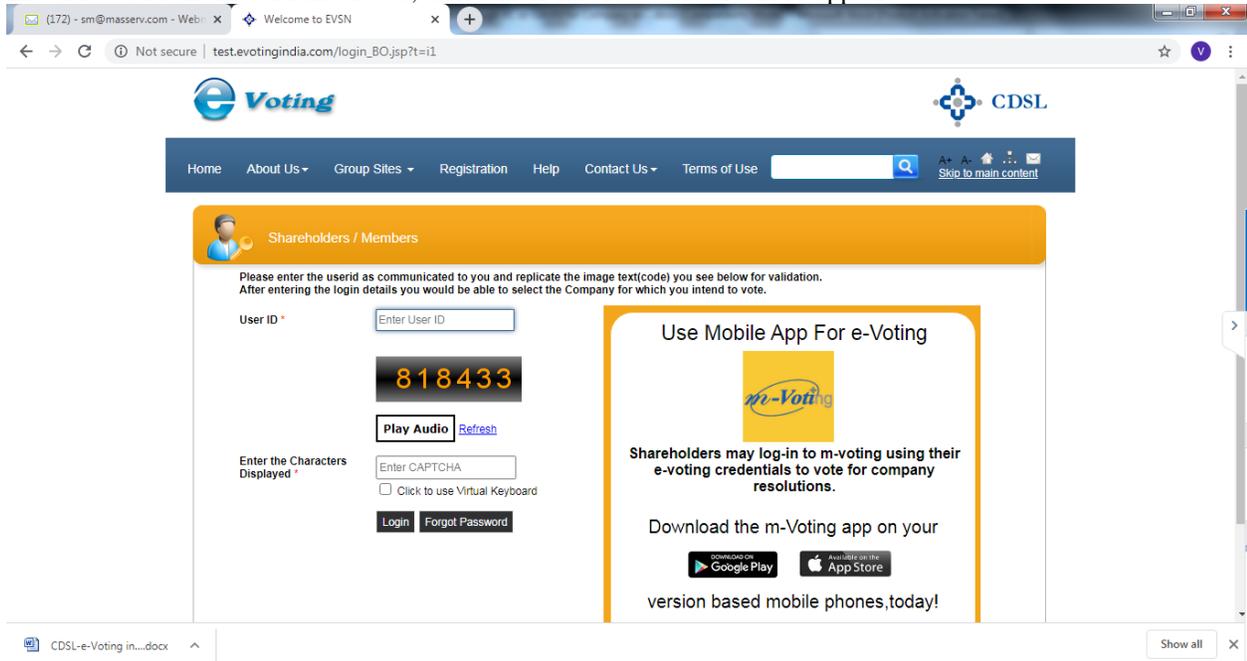
PROCEDURE FOR E-VOTING AND JOINING OF MEETING THROUGH VC (EXPLAINED USING SCREENSHOTS):

- i. The shareholders should log on to the e-voting website <http://www.evoting.nsdl.com/>. Below screen will be appear.



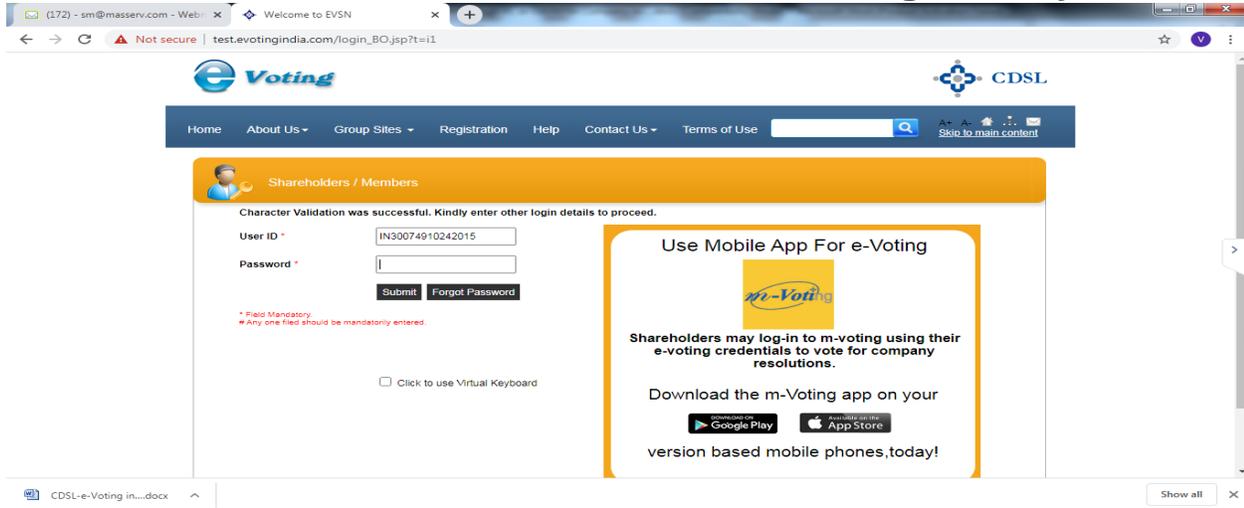
ii.

iii. Press Shareholders/Members tab, after which the below screen will be appear.

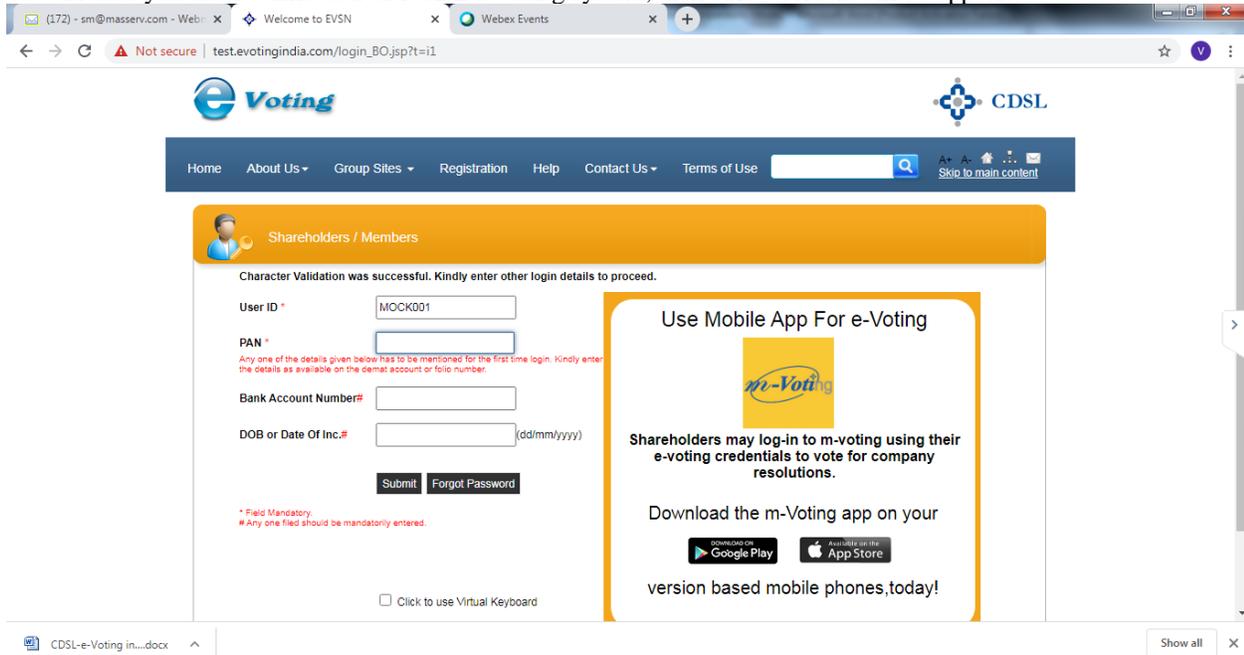


iv.

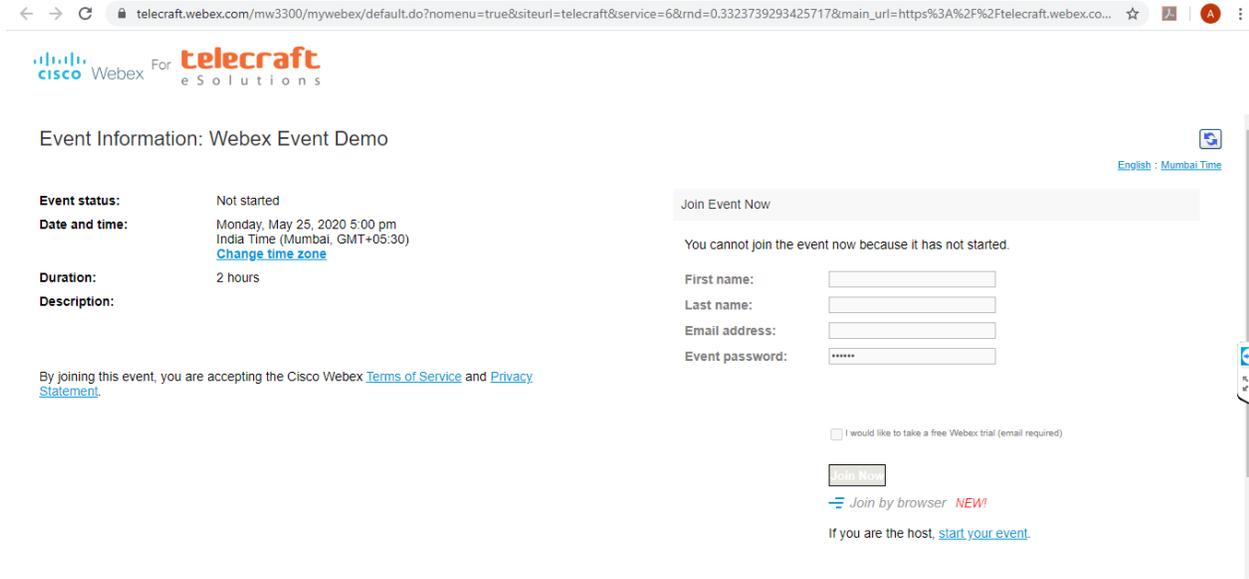
Enter user id as mentioned in your invite email, or read point number (iii) as given above. Since you are a registered user, below screen will be appear. Enter your existing NSDL password in password field.



v. In case you are 1st time user of NSDL e-voting system, then below screen will be appear.



vi. Enter your PAN and bank detail/DOB or follow instruction as given point number (vi) above or mentioned in invite email; then below screen will be appear.



Fill the details as:

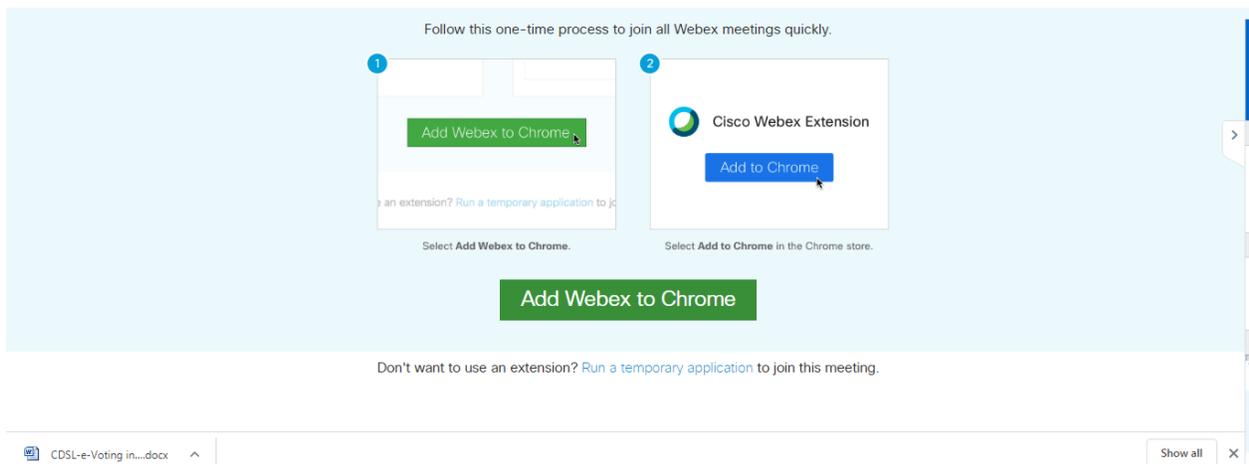
- In the "Name" field - Enter your USERID as given in email
 - In the "last name" field - Enter your Name
 - In the "Email ID" field - Put your email ID
 - In the "Event password" field - Put the password as "NSDL@1234"
- Click join now button.

You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the webex meet app from the respective play store .

viii. Once you click on 'Join now' tab, the following screen will appear :



Step 1 of 2: Add Webex to Chrome



ix. Now, Kindly click on 'Run a temporary application', after which a Webex driver will get downloaded. After downloading webex driver, run the application and you will be directed to the AGM.

EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013 and Secretary Standard 2 on General Meetings)

Item No. 3: To appoint Secretarial Auditors of the Company

The Board at its meeting held on June 27, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of Saket Billa & Associates, Practising Company Secretary, a peer reviewed firm as Secretarial Auditor of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the Members. The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Saket Billa & Associates is a well-known firm based in Delhi. Renowned for its commitment to quality and precision, the firm has been Peer Reviewed and Quality Reviewed by the Institute of Company Secretaries of India (ICSI), ensuring the highest standards in professional practices.

Saket Billa & Associates has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI Listing Regulations. The services to be rendered by them as Secretarial Auditor is within the purview of the said regulation read with SEBI circular no. SEBI/ HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of this Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, in the Resolution set out in Item No. 3 of this Notice

Item No 4. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS

Pursuant to the provision of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”), all material related party transactions shall require the approval of the shareholders.

Accordingly, the approval of the shareholders by way of an Ordinary Resolution is sought under Regulation 23 of LODR for arrangements/ transactions/ contracts to be entered into with Related Parties in one or more tranches. The particulars of the Related Party Transactions for which approval/ratification of the Members is sought, are as follows:

Details of Related Party Transactions/ Arrangements/ Contracts per Financial Year.

S. No	Name of Related Party	Nature of Relationship	Type of Transaction(s)	Maximum Value of Transaction for Financial Year
1.	Mr. Gokul Naresh Tandan	Chairman & Managing Director	Receipt of Unsecured Loan from him and payment of Interest or principal thereon	As required as per decision to be taken by Chairman for any amount not exceeding INR 10,00,00,000 (Ten Crore)
2.	M/s Empyrean Spirits Pvt Ltd	Subsidiary company	Investment in equity	As required as per decision to be taken by Chairman for any amount not exceeding INR 15,00,00,000 (Fifteen Crore)
3.	M/s Empyrean Spirits Pvt Ltd	Subsidiary company	Grant of loan and receipt of repayment of loan	As required as per decision to be taken by Chairman for any amount not exceeding INR 10,00,00,000 (Ten Crore)
4	Any other company/ Firm/ individual as required as per decision to be taken by Chairman on approval by audit committee.	Related party	Grant/receipt of loan & receipt/repayment of interest or principal thereon	As required as per decision to be taken by Chairman for any amount not exceeding INR 10,00,00,000 (Ten Crore)

Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out in Item No. 4 of the accompanying Notice. This resolution enables the Board of Directors of the Company to approve related party transactions, as may be required by the Company, from time to time.

Moreover, by the proposed resolution, approval of the members is sought for the material related party arrangements/transactions/ contracts for financial years 2025-26 with the related party.

The aforesaid related party transactions do not fall under the purview of Section 188 of the Companies Act, 2013. However, the same are covered by Ind AS - 24 and hence, the approval of the members is sought by way of Ordinary resolution under Regulation 23 of the Listing Regulations.

Mr. Gokul Naresh Tandan and his relatives & associated companies/firms/LLP and Mr. Shantanu Upadhyay and his relatives & associated companies/firms/LLP may be interested in the Resolution and will abstain from vote on the resolution. All entities falling under definition of related party shall abstain from voting irrespective of whether the entity is party to the particular transaction or not.

Except as above mentioned, none of the Director(s), Manager(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution, except to the extent of their equity shareholdings in the Company.

Item No 5. Appointment of Mr. Gokul Naresh Tandan (Din: 00441563) as Chairperson & Managing Director for a fresh term of Five (5) years.

The Shareholders of the Company at the 28th Annual General Meeting held on 28 September, 2020 approved reappointment of **Gokul Naresh Tandan (Din: 00441563)** as a Managing Director of the Company for a period of five years effective from 31st July 2020 to 30th July 2025 through a Special Resolution under the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Articles of Association of the Company. Mr. Gokul Naresh Tandan, Whole Time Director had attained the age of 70 years on 25 March, 2024. The company passed a Special Resolution in the annual general meeting held on 30th September 2024 for continuation of their holding of existing office after the age of 70 years during the currency of his term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013.

The term of Managing Directors has come to expire on 30th July 2025. The Board on 27th June 2025 appointed him for a fresh term of another five years w.e.f. 31st July 2025 and ending on 30th July 2030 as Managing Director cum chairperson of the company which requires the approval of shareholders.

The Board therefore recommends the Special Resolutions for your approval.

Gokul Naresh Tandan aged 70 years is currently Group Executive Chairman. Gokul Naresh Tandan is essentially a Serial Entrepreneur with an experience of building multiple businesses to national and global scale with dedication and focus for 5 to 10 years and then exiting with significant value for all Shareholders.

Mr. Gokul Naresh Tandan and his relatives & associated companies/firms/LLP may be interested in the Resolution and will abstain from vote on the resolution.

Except as above mentioned, none of the Director(s), Manager(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution, except to the extent of their equity shareholdings in the Company.

The Details required under Regulations 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an Annexure to the notice. This explanatory statement and the resolution at Item no. 5 may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Name	Mr. Gokul Naresh Tandan
Age	70 years
Qualification	Graduate, MBA
Experience - Expertise in specific functional areas - Job profile and suitability	Gokul Naresh Tandan is essentially a Serial Entrepreneur with an experience of building multiple businesses to national and global scale with dedication and focus for 5 to 10 years and then exiting with significant value for all Shareholders.
No. of Shares held as on 31 st March, 2025 including shareholding as a Beneficial Owner.	Fully Paid Equity shares: 84,48,045 Partly Paid Equity shares: 5,49,530 (19.49% of total shares)
Terms & Conditions of appointment	As per Employment agreement
Remuneration sought to be paid	As per Employment agreement
Remuneration Last Drawn	NA
Date of First appointment on the Board	31st July 2000

Number of Board Meetings attended during the Financial Year 2024-25	10
Directorships held in public companies including deemed public companies	3
Memberships /Chairmanships of committees of public companies**	1
Inter-se Relationship with other Directors.	-

Item No 6. Appointment of Mr. Shantanu Upadhyay (Din: 07709657) as Joint Managing Director & CEO for a term of Five (5) years.

The Board on 27th June 2025 appointed him for a term of another five years w.e.f. 28th June 2025 and ending on 27th June 2030 as Joint Managing Director & CEO of the company which requires the approval of shareholders.

The Board therefore recommends the Special Resolutions for your approval.

Shantanu Upadhyay aged 49 years is currently Executive Director & founder promoter of subsidiary company Empyrean Spirits Pvt Ltd. Shantanu Upadhyay is the co-founder of Kati Patang, one of India's most celebrated premium beer brands. It boasts an array of award-winning beer styles crafted with uniquely Indian ingredients such as saffron, turmeric, ginger, and peppercorn. Kati Patang is available in India, UK and the US. The brand is now owned by Kati Patang Lifestyle Limited through its 98% subsidiary Empyrean Spirits Private Limited. Shantanu's mandate now is to transform Kati Patang Lifestyle Limited in to India's first home-grown, professionally-managed, listed platform that will incubate other complementary lifestyle businesses (both Indian and international) with premium products and experiences. Before donning his entrepreneurial avatar, Shantanu spent 14 years in management consulting at the Boston Consulting Group and Deloitte across India and the US where he advised CXOs and the Boards of Fortune 500 companies on corporate strategy, growth, go-to-market, operational excellence and innovation. Fuelled by a deep passion for problem-solving, Shantanu has wellorchestrated Kati Patang's overall direction, forging new partnerships and championing data-driven decisions that stay true to the brand's free-spirited ideals. Under his elevated leadership with Kati Patang Lifestyle Limited, the brand would continue to expand its presence and loyal following (both in India and international markets) and also build a compelling premium alcobev portfolio and lifestyle experiences.

Mr. Shantanu Upadhyay and his relatives & associated companies/firms/LLP may be interested in the Resolution and will abstain from vote on the resolution.

Except as above mentioned, none of the Director(s), Manager(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution, except to the extent of their equity shareholdings in the Company.

The Details required under Regulations 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an Annexure to the notice. This explanatory statement and the resolution at Item no. 6 may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Name	Mr. Shantanu Upadhyay
Age	Aprox. 49 years
Qualification	MBA
Experience - Expertise in specific functional areas - Job profile and suitability	Shantanu Upadhyay is the co-founder of Kati Patang, one of India's most celebrated premium beer brands. It boasts an array of award-winning beer styles crafted with uniquely Indian ingredients such as saffron, turmeric, ginger, and peppercorn. Kati Patang is available in India, UK and the US. The brand is now owned by Kati Patang Lifestyle Limited through its 98% subsidiary Empyrean Spirits Private Limited. Shantanu's mandate now is to transform Kati Patang Lifestyle Limited in to India's first home-grown, professionally-

	managed, listed platform that will incubate other complementary lifestyle businesses (both Indian and international) with premium products and experiences. Before donning his entrepreneurial avatar, Shantanu spent 14 years in management consulting at the Boston Consulting Group and Deloitte across India and the US where he advised CXOs and the Boards of Fortune 500 companies on corporate strategy, growth, go-to-market, operational excellence and innovation. Fuelled by a deep passion for problem-solving, Shantanu has wellorchestrated Kati Patang's overall direction, forging new partnerships and championing data-driven decisions that stay true to the brand's free-spirited ideals. Under his elevated leadership with Kati Patang Lifestyle Limited, the brand would continue to expand its presence and loyal following (both in India and international markets) and also build a compelling premium alcobev portfolio and lifestyle experiences.
No. of Shares held as on March 31, 2025 including shareholding as a Beneficial Owner.	Fully Paid Equity shares: 38,36,590 Partly Paid Equity shares: 1,45,000 (8.63% of total shares)
Terms & Conditions of appointment	As per Employment agreement
Remuneration sought to be paid	As per Employment agreement
Remuneration Last Drawn	NA
Date of First appointment on the Board	14 November 2024
Number of Board Meetings attended during the Financial Year 2024-25	4
Directorships held in public companies including deemed public companies	2
Memberships /Chairmanships of committees of public companies	-
Inter-se Relationship with other Directors.	-

Item Nos. 07 and 08: Kati Patang ESOP Scheme 2025

Employees Stock options in the hands of the employees have since long been recognized as an effective instrument to align the interests of the employees with that of the Company. In this highly competitive market, it is significant for us to retain existing talent and infuse new talent in order to have business growth and efficiency.

With a view to drive long term objectives of the Company, to attract, motivate and retain employees by rewarding for their performance and incentivize key talent to drive long term objectives of the Company, to ensure that the senior management employees compensation and benefits match the long gestation period of certain key initiatives and to drive ownership behavior and collaboration amongst employees, it is proposed to approve and adopt the Kati Patang Lifestyle Employee Stock Option Scheme – 2025 ("**Scheme**").

The Board of Directors has considered and approved the Scheme at its meeting dated 14th February 2025. The Scheme shall be implemented through Direct route to extend the benefits to the Eligible Employees by the way of fresh allotment from the Company.

The Company has structured the Scheme for its Eligible Employees with the following major objectives:

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- a. To reward and incentives the Employees for their association and performance;
- b. To attract, motivate and retain the Employees to contribute to the growth and profitability of the Company;
- c. Bringing sense of association with the Company and its growth.

These objectives are intended to be achieved through the grant of Employee Stock Options ("**Options**") to Eligible Employees and Directors of the Company, its Subsidiary or Associate Company, in India or outside India, or of a Holding Company of the Company.

The intent is to cover senior leaders and key talent who can make a significant difference to the Company's performance and align their rewards directly with the Company's performance. The value of the award can be realized only through superior business performance leading to superior share price performance over time.

By extending the benefits of the Scheme to eligible employees of Subsidiary Company(ies), Associate Company(ies) and Holding Company, the Kati Patang Lifestyle Limited aims to reinforce a sense of unity, shared purpose, and collaboration among all employees within the broader corporate family. This approach not only strengthens the overall talent pool within the organization but also ensures consistent standards of performance and incentivization throughout the Company, its Subsidiary Company(ies), Associate Company(ies) and Holding Company. Moreover, it aligns with the strategic vision of promoting a unified corporate culture focused on long-term value creation and sustainable growth across all business entities under the Kati Patang Lifestyle Limited umbrella.

In terms of **Regulation 6(1)** of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [**"SEBI (SBEB & SE) Regulations, 2021"**], and Section 62 and other applicable provisions, if any, of the Companies Act, 2013, the issue of Equity Shares under the captioned Scheme requires approval of the Shareholders by way of a Special Resolution. The Special Resolution set out at **Item No. 7** is to seek your approval for the said purpose.

Further, as per Regulation 6(3)(c) of SEBI (SBEB & SE) Regulations, 2021, approval of the Shareholders by way of separate Special Resolution is also required for grant of Options to Eligible Employees and Directors of Subsidiary Company, in India or outside India, of the Company. The Special Resolution set out at **Item No.8** is to seek your approval for the said purpose.

Brief Description of the Scheme: The Scheme shall be called as Kati Patang Lifestyle Employee Stock Option Scheme – 2025 ("**Scheme**").

The Purpose of the Scheme: The Company has structured this Scheme for the Employees. The purpose of the Scheme includes the followings:

- a) To attract relevant talent into the Company to drive its growth plans.
- b) To motivate and retain the Employees to contribute to the growth and profitability of the Company.
- c) To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.
- d) To foster a sense of ownership and participation amongst the Employees, allowing them to share in the value they create for the Company in the years to come, and
- e) To provide deferred rewards to Employees.

The total number of Options to be offered and granted under the Scheme:

The maximum number of Options that may be granted in one or more tranches, pursuant to this Scheme shall not exceed 45,00,000 (Forty-Five Lakhs) Options which shall be convertible into equal number of Shares not exceeding 45,00,000 (Forty-Five Lakhs) Equity Shares having face value of Rs. 10/- each.

If any Option Granted under the Scheme lapses or is forfeited or surrendered or cancelled under any provision of the Scheme, such Option shall be added back to the pool and shall be available for further Grant under the Scheme unless otherwise determined by the Committee.

Further, the maximum number of Options that can be Granted and the Shares arise upon Exercise of these Options shall stand adjusted in case of Corporate Action.

Identification of classes of Employees entitled to participate in the Scheme:

- a. An Employee as designated by the Company, who is exclusively working in India or outside India; or
- b. A Director of the Company, whether a Whole Time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- c. An employee as defined in (a) or (b), of a Subsidiary or Associate Company, in India or Outside India, or of a Holding Company of the Company.

but does not include

- (a) An Employee who is a Promoter or a person belonging to the Promoter Group; or
- (b) A Director who either himself or through his Relative or through any Body Corporate directly or indirectly holds more than ten percent of the outstanding equity shares of the Company.

Requirement of Vesting and period of Vesting:

The Vesting Period shall commence from a period of 1 (One) year from the Grant Date and shall extend upto a maximum period of 4 (Four) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter. The Vesting Schedule, % of Options to be vested will be clearly defined in the Grant Letter of respective Grantees subject to minimum and maximum Vesting Period as specified in the Scheme and can vary from Grantee to Grantee as per the discretion of the Committee whose decision shall be final and binding. The actual Vesting of Options will be subject to the continued employment of the Grantee and further linked with achievement of performance condition or such other criteria's, as determined by the Committee and mentioned in the Grant Letter.

Maximum period within which the Options shall be vested:

The maximum period within which the Options shall be vested is 4 (Four) years from the date of grant of such Options.

Exercise Price or Pricing Formula:

Under this Scheme, the Exercise Price will be decided by the Committee at the time of Grant and shall be linked with the Market Price as defined in the Scheme.

The Committee has the power to provide suitable discount on such price as arrived above. However, in any case the Exercise Price shall not go below the face value of the Share of the Company.

Exercise period and process of Exercise:

After Vesting, Options can be exercised either wholly or partly, within a maximum Exercise Period of 3 (Three) years from the date of respective Vesting, during the Exercise Window as intimated from time to time to the Grantee, after submitting the Exercise Application along with payment of the Exercise Price, applicable taxes and other charges, if any. The mode and manner of the Exercise shall be communicated to the Grantees individually.

Appraisal process for determining the eligibility of the Employees to the scheme:

The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the Grant and decide upon the quantum of Options under the Scheme and the terms and conditions thereof:

- a) **Loyalty:** It will be determined on the basis of the tenure of employment of an Employee in the Company/ Holding Company/ Subsidiary Company/ Associate Company.
- b) **Performance of Employee:** Employee's performance during the financial year on the basis of the parameters decided by the Company/ Holding Company/ Subsidiary Company/ Associate Company.
- c) **Performance of Company:** Performance of the Company as per the standards set by the Committee.
- d) Any other criteria as decided by the Committee from time to time.

The Maximum number of Options to be granted per Employee and in aggregate:

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The Committee may decide to Grant such number of Options equal to or exceeding 1% of the issued equity share capital (excluding outstanding warrants and conversions) to any Eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

The maximum number of Options that may be granted in one or more tranches, pursuant to this Scheme shall not exceed 45,00,000 (Forty-Five Lakhs) Options which shall be convertible into equal number of Shares not exceeding 45,00,000 (Forty-Five Lakhs) Equity Shares having face value of Rs. 10/- each.

The Maximum quantum of benefits to be provided per Employee under the scheme:

The maximum quantum of benefits that will be available to every Eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Recognized Stock Exchange(s) as on the Date of Exercise of Options and the Exercise Price paid by the Employee.

Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:

The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

The Scheme shall be administered by the Nomination and Remuneration Committee of the Company.

Whether the Scheme involves new issue of shares by the company or secondary acquisition by the Trust or both:

The Scheme involves new issue of Equity Shares by the Company.

The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

Not applicable, since the Scheme is proposed to be implemented by direct route.

The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:

Not applicable, since the Scheme is proposed to be implemented by direct route.

Disclosure and accounting policies:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBE & SE) Regulations, 2021 or as may be prescribed by regulatory authorities from time to time.

The method which the Company shall use to value its Options:

The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

Statement with regard to Disclosure in Director's Report:

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("**EPS**") of the company shall also be disclosed in the Directors' report.

Period of lock-in:

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The Shares allotted to the Grantees pursuant to Exercise of Options shall be subject to no lock-in period from the date of allotment. The Grantee is free to sell the Shares.

Terms & conditions for buyback, if any, of specified securities:

The Committee has the powers to determine the procedure for buy-back of Options granted under the Scheme, if to be undertaken at any time by the Company, and the applicable terms and conditions, in accordance with the applicable laws.

The Board of Directors recommend the resolutions as set out at **Item no. 7 & 8** for your approval as Special Resolutions.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the options may be granted under the Scheme.

Kati Patang Lifestyle Employee Stock Option Scheme – 2025 and other documents referred to in the aforesaid resolutions are available for inspection on the website of the Company or at the registered office of the Company.

Item Nos. 09: Grant of ESOP Options exceeding one percent of the issued capital of the Company

Ms. Lata Upadhyay is a full time employee of the subsidiary Company ESPL and holds the senior position. The Nomination and Remuneration Committee (“NRC”) of the Company has proposed to grant 22,50,000 options to Ms. Lata Upadhyay pursuant to the proposed 'Kati Patang ESOP Scheme, 2025'. In terms of Regulation 17(6)(a) and (ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and provisions of Section 188, 189 & Section 197 of the Companies Act 2013, ("Act"), approval of members/shareholders is being sought by way of Special Resolution as contained in the Notice, for payment of remuneration arising out of the proposed grant of 22,50,000 options to Ms. Lata Upadhyay for his valuable contribution towards the growth of the business of ESPL, and the said proposed grant shall be payable in the capacity of her employment.

Pursuant to Regulation 17(6)(a) and (ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of members/shareholders is also being sought by way of Special Resolution, for payment of remuneration in the form of proposed grant of 22,50,000 options to Ms. Lata Upadhyay The above said remuneration has been approved by the Committee(s) and the Board of Directors at its respective meetings.

The details of remuneration to be payable in the form of employee stock options are set out below:

Employee Stock Options	The committee/Board may grant any number of options to Ms. LATA UPADHYAY (Co-founder and Chief Brand Officer) not exceeding 22,50,000 (Twenty Two Lakh Fifty Thousand Only) Options that can be converted to a maximum of 22,50,000 (Twenty Two Lakh Fifty Thousand Only) equity shares of face value of Rs. 10/- (Rupees Ten only) of the Company under ESOP Plan (subject to approval of such plan by the members of the Company) and will be entitled to participate in various employee incentive plans, including any employee stock options plans, as may be announced by the Company from time to time at the discretion of the Board.
------------------------	--

Ms. Lata Upadhyay & Mr. Shantanu Upadhyay and their relatives & associated companies/firms/LLP are interested in the Resolution and will abstain from vote on the resolution.

Except as above mentioned, none of the Director(s), Manager(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution, except to the extent of their equity shareholdings in the Company.

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This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations. Your directors recommend the Special Resolution(s) proposed at Item No. 09 of this Notice for your approval.

**By Order of the Board of Directors
KATI PATANG LIFESTYLE LIMITED**

**Sd/-
Gokul Tandan
Chairperson & Managing Director
Dated: September 05, 2025**

**KATI PATANG LIFESTYLE LIMITED
DIRECTORS' REPORT**

Dear Shareholders,

Your directors take pleasure in presenting for your consideration and approval the Thirty-Third Annual Report of Your Company for the financial year ended March 31, 2025.

1. Financial Result

The company's performance during the Financial Year ended March 31, 2025 as compared to the previous financial year is summarized below: -

PARTICULARS (Rupees in Lacs)

	Standalone	Consolidated
--	------------	--------------

PARTICULARS	2024-25	2023-24	2023-24	2023-24
Total Income	165.91	139.43	1837.25	514.21
Expenses (including depreciation & amortization)	249.32	250.63	2330.29	754.79
Profit/(Loss) before Tax	(83.41)	(111.20)	(492.94)	(240.58)
Less : Tax Expenses				
Current Tax				
Deferred Tax			13.20	
Profit/ (Loss) for the Year	(83.41)	(111.20)	(479.74)	(240.58)
Basis EPS	(0.33)	(1.08)	(1.31)	(1.87)
Diluted EPS	(0.32)	(1.08)	(1.24)	(1.87)

2. BUSINESS AND OPERATIONS OF THE COMPANY

Kati Patang Lifestyle Limited, a BSE-listed company, owns a vibrant premium beer brand Kati Patang through its subsidiary Emphyrean Spirits Private Ltd.. The brand boasts an array of award-winning beer styles crafted with uniquely Indian ingredients such as saffron, turmeric, ginger, and peppercorn. Kati Patang is available in India, UK and the US.

Kati Patang Lifestyle Limited successfully closed the Rights Issue 1,02,56,651 Partly paid-up Equity Shares of face value of Rs. 10/- each of the Company at an issue price of Rs. 20/- per Rights Equity Shares (including a premium of Rs. 10/- per Rights Equity Share), aggregating up to Rs. 20,51,33,020. The Issue was oversubscribed by more than 10%.

We stay fully vested in our stated vision to be **India's first homegrown, listed alco-bev and lifestyle platform managed by professionals which will incubate other complementary businesses (both Indian and International) with premium products and experiences**. Our differentiated business model combines our award-winning beer portfolio with asset-light approach and communities-centric brand narratives to seed the product.

Starting September/ October 2025, we will be in three new markets -- **Uttarakhand, Rajasthan and Chhattisgarh**. Our premium lager beer - Saffron Lager - will also be re-introduced in the Delhi and Haryana market by end of this quarter. We have signed up a **new lease capacity in Uttarakhand** to bolster our production capacity. This will immediately help alleviate Bhutan-linked regulatory headwinds/ hurdles especially in Delhi that impacted our revenues in Q1 FY26. We also foresee to substantially **grow our market share in Delhi** across premium/ mild beer styles.

We have been able to build three compelling beachheads when it comes to marketing IPs. Our strategic goal is to build these IPs as separate ROI centres besides being our RTMs for niche communities and experiences. We launched **Kati Patang Quiz League** in July - City's first quiz league that features some of the top names from Delhi's circuit. **Kati Patang Spin City** brings back the charm of vinyl back into the heart of the music scene. And, **Kati Patang Trial Room** that creates an experimental safe space for the Indie artists where they get to showcase what they really love and the audience gets to seek, discover and witness it all. Our marketing IPs are scalable across markets. Please refer below a short overview.

Emphyrean Spirits Pvt Ltd through its UK subsidiary now owns 23% stake in CHADKP HOLDINGS LIMITED – a transformative joint venture with Chadlington Brewery and The Tite Inn Chadlington, two esteemed establishments situated in the picturesque Cotswolds, UK. Our UK subsidiary is a vehicle to lead, operate and manage Kati Patang franchise in the UK. It would have exclusive rights to Kati Patang brand for the UK + the rights to further license out the brand to other markets within Continental Europe. J D Wetherspoons have formally approved Kati Patang for national rollout. This is a major milestone, as Wetherspoons operates 800+ venues across the UK.

Saffron Lager and Bareilly Bold are also being exported to the US. The pricing is 20-25% premium to competition (Kingfisher, Taj Mahal, Bira) and ingredients (eg. Saffron) lend the exotic appeal and enhance premium perception. They are currently being distributed across Washington State, Oregon, Arizona, California and North Carolina.

3. DIVIDEND

Your Directors do not recommend a dividend due to absence of profit during the current financial year.

4. TRANSFER OF UNCLAIMED DIVIDEND TO IEP FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply pertaining to this financial year.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Loans were granted to subsidiary company Emphyrean Spirits Private Limited for which shareholder's approval was taken during the year under review following the due process of law.

7. STATUTORY AUDITORS

M/s. Rajesh Raj Gupta & Associates LLP, Chartered Accountants, has been appointed until the conclusion of 37th Annual General Meeting of the Company till FY 2028-29 at a remuneration to be determined by the Board of Directors of the Company in addition to the out-of-pocket expenses as may be incurred by them during the course of the Audit.

8. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Mr. Saket Billa from Saket Billa & Associates, practicing Company Secretary for conducting Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Audit Report is annexed herewith as Annexure A.

The Secretarial Audit report does not contain any qualification, reservation or adverse remark.

9. INTERNAL AUDIT

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors has appointed Dinesh Bajaj & Co. Chartered Accountant Firm for conducting Internal audit of the Company for the financial year 2024-2025.

10. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

We would like to inform you that during the financial year ending March 2025, that company has already put in place adequate Internal control system within the guidance of management and also taking care of that system in liaison with auditors and management further putting efforts to improve the internal control system. The Audit report does not contain any qualification, reservation or adverse remark.

11. REPORTING OF FRAUD BY AUDITORS:

During the year under review, the Statutory Auditors have not reported any instances of fraud committed in the Company by its Officers or Employees to the Board under section 143(12) of the Companies Act, 2013 and rules made thereunder.

12. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

13. NUMBER OF BOARD MEETINGS & THEIR COMMITTEES CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had Ten (10) Board meetings during the financial year under review. The details are mentioned elsewhere in the Corporate Governance Report.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Appointment of Directors

The Board of Directors is duly constituted as on the end of the financial year.

In pursuance of section 152 of the companies Act, 2013 and rules framed there under, Mr. Rajendra Virupaksha Kulkarni retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for reappointment.

Mr. Shantanu Upadhyay was appointed as Executive Director & Mr. Sanjay Jain as Non-Executive Independent Director on 14th November 2024 during the year under review.

b. Changes in Key Managerial Personnel

During the financial year under review, Ms. Mukta Ahuja resigned as Company Secretary on 31st March 2024 and Mr. Sanjeev K Jha was appointed as Company Secretary w.e.f. 1st April 2025.

c. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

15. DEPOSITS

The Company has not accepted deposits from the public for the year under consideration.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The details of financial performance of Subsidiary/ Joint Venture/Associate Company is furnished in Annexure A and attached to this report.

17. CAPITAL MARKET DEVELOPMENTS

As on date, over 98% of Shares are in Demat form and are listed on various stock exchanges. The Company has, from time to time, reminded the shareholders/ investor, holding the Shares in Physical form to convert their Shareholding to dematerialized form.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Details of Conservation of Energy

The Company uses electric energy for its equipment such as air-conditioners, computer terminals, lighting and utilities in the work premises.

Steps taken or impact on conservation of energy: All possible measures have been taken to conserve energy

- By identifying potential areas for saving;
- By incorporating energy efficient equipment;
- By automation.

Steps taken by the company for utilizing alternate sources of energy: Nil

Capital Investment on energy conservation equipments: Nil

(b) Technology Absorption

1. Efforts in brief made towards technology absorption, adaptation and innovation:

These are adapted, wherever necessary, to local conditions.

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

New product development, productivity and quality improvements, enhanced safety and environmental protection measures and conservation of energy.

3. Technology Imported: NIL

4. Expenditure on R&D: NIL

C. Foreign Exchange earnings and outgo

The information in this regard is provided in Notes to the Accounts. There had been no foreign exchanges earnings, during the year.

19. PARTICULARS OF EMPLOYEES

Particulars of Employees as required under the provision of section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable. Since none of the employee of the company is drawing salary of Rs. 1,02,00,000/- per annum or more or Rs. 8,50,000/- per month or more or for the part of the year during the year under review.

20. REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Remuneration Policy of the Company is to ensure that Directors, Company's Senior Management including Key Managerial Personnel are rewarded in a fair and reasonable manner, for their individual contributions to the success of the Company and are provided with appropriate incentives to encourage enhanced performance.

The remuneration paid to the Directors, Company's Senior Management including Key Managerial Personnel is recommended by the Nomination and Remuneration Committee for the approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary.

21. VIGIL MECHANISM/WHISTLE BLOWER POLICY

As per the provisions of Section 177 of the Act and Regulation 22 of the SEBI LODR the Company has adopted a Whistle Blower Policy to enable its employees, Directors, customers and vendors to report violations, genuine concerns, unethical behavior and irregularities, if any, which could adversely affect the Company.

The said policy is displayed on the Company's website at www.katipatang.com. None of the Whistle Blowers was denied access to the Audit Committee of the Board.

22. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for proper maintaining of the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

No fresh Contracts or Arrangements was made with related parties pursuant to Section 188 except those continuing which were approved earlier by shareholders. Notes to Accounts on the transactions with related parties are self-explanatory.

24. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The provisions of Risk Management Committee are not applicable on the Company.

25. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

26. SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the applicable Secretarial Standards as issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

27. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- 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 and loss 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 that such internal financial controls are adequate and were operating effectively.
Internal financial control means the policies and procedures adopted by the Company 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.
- 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.

28. SHARES CAPITAL

The Authorized share Capital of the Company as on 31st March was Rs. 50,00,00,000 (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crore) equity shares of Rs. 10/- each.

The paid-up Share Capital of the Company as on 31st March was Rs. 35,89,82,800 (Rupees Thirty Five Crore Eighty Nine Lakh Eighty Two Thousand Eight Hundred only) divided into 3,58,98,280 (Three Crore Fifty Eight Lakh(s) Ninety-eight Thousand Two Hundred Eighty Only) equity shares of Rs. 10/- each.

The paid-up Share Capital of the Company as on signing of this Report is Rs. 41,02,66,055 (Rupees Forty One Crore Two Lakh(s) Sixty Six Thousand Fifty Five Only) divided into 3,58,98,280 equity shares of Rs. 10/- each fully paid up & 1,02,56,651 party paid equity shares of Rs. 10 each Rs. 5 paid up.

During the year, the company has not issued any share capital with differential voting rights, sweat equity or ESOP nor provided any money to the employees or trusts for purchase of its own shares.

During the current Year 2024-25, company has issued & allotted 2,56,00,680 (Two Crore Fifty Six Lakh Six Hundred eighty) equity shares of Rs. 10 each at PAR on preferential basis.

During the current Year 2024-25, company has granted 69,10,000 (Sixty Nine Lakh Ten Thousand) warrants convertible into equity at the option of shareholders within 18 months out of which 13,75,000 warrants has been converted on 28th March 2025 and the remaining warrants are yet to be converted as on the date of signing of this report.

29. KATI PATANG ESOP SCHEME, 2025

The Company on 14th February 2025 approved the scheme for grant of 4,50,000 ESOP's to eligible employees. ESOP Scheme is made available on the website of the company www.katipatang.com, salient features has been mentioned in the explanatory statement to the notice of ensuing Annual General Meeting of the company.

30. ACQUISITION OF EMPYREANS SPIRITS PVT LTD

The company has acquired 98% shares in the above mentioned company on 22nd August 2024 through share swap of the shares in the ratio 1:10 at an issue price of Rs. 10 each by virtue of which the company has entered into the business of alcoholic liquor mainly beer or craft beer. The requisite approval of shareholders, BSE, ROC and other concerned authorities were obtained for the transaction.

31. SALE OF SUBSIDIARY ROAM1 TELECOM LTD

The company sold 100% stake in the above mentioned company during the year under review by virtue of which the company has now moved away from sim card business. The requisite approval of shareholders, BSE, ROC and other concerned authorities were obtained for the transaction.

32. CHANGE OF NAME OF THE COMPANY

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Kati Patang Lifestyle Limited

To give effect to the new business line of the company pursuant to acquisition of Emphyrean Spirits Pvt Ltd & sale of subsidiary Roam1 telecom Ltd, the company changed it's name from VIRTUALSOFT SYSTEMS LTD to KATI PATANG LIFESTYLE LIMITED during the year under review. The requisite approval of shareholders, BSE, ROC and other concerned authorities were obtained for the transaction.

33. CORPORATE GOVERNANCE

A Separate statement on Corporate Governance along with the Certificate on its compliance is given as part of the Annual Reports.

34. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

Not Applicable.

35. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable.

36. PREVENTION OF SEXUAL HARASSMENT

The Company is an equal opportunity employer and is committed to ensure safe and secure environment prohibiting discrimination on grounds of religion, race, caste, sex, place of birth and gender specific violence such as sexual harassment at the work place.

The Company has the Policy on Prevention, Prohibition & Redressal against Sexual Harassment of Women at Workplace as per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013. This policy provides for prevention and redressal of complaints of sexual harassment and incidental matters. There is an Internal Complaints Committee formed as per the prescribed rules.

The following is a summary of sexual harassment complaints received and disposed off during the period:

Number of Complaints received	NIL
Number of Complaints disposed off	NIL
Number of Complaints pending for disposal	NIL

37. ACKNOWLEDGEMENTS

Your directors acknowledge with a deep sense of gratitude the continued support extended by investors, customers, business associates, bankers and vendors. Your directors take this opportunity to thank the regulatory and governmental authorities.

**For and on behalf of the Board of Directors
Kati Patang Lifestyle Limited**

Sd/-
Gokul Naresh Tandan
Managing Director
DIN: 00441563

Sd/-
Shantanu Upadhyay
Joint Managing Director
Din: 07709657

Place : New Delhi
Date : 2nd September 2025

Annexure A

Statement containing salient features of the financial statement of Subsidiaries/Associates/Joint Venture (Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014:

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Part "A": Subsidiary

Kati Patang Lifestyle Limited

Sl. No.	Particulars	Name of the Subsidiary
		EMPYREAN SPIRITS PRIVATE LIMITED
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
3.	Share Capital	194.03 Lakhs
4.	Reserves and Surplus	(305.66) Lakhs
5.	Total assets	929.23 Lakhs
6.	Total liabilities	1040.86 Lakhs
7.	Investments	-
8.	Turnover	1661.02 Lakhs
9.	Profit / Loss before taxation	(411.49) Lakhs
10.	Provision for taxation	(13.20) Lakhs
11.	Profit/ Loss after taxation	(398.29) Lakhs
12.	Proposed Dividend	-
13.	% of shareholding	98%

No subsidiaries which are yet to commence operations
No subsidiary has been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Name of Joint Ventures/Associates	

No associates or joint ventures which are yet to commence operations

No associates or joint ventures has been liquidated or sold during the year.

[Pursuant to clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

For the year ending on 31st March 2025

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 arms' length transactions under third proviso thereto.

Name(s) of the related party and nature of relationship:

Names of related parties	Description of relationship
EMPYREAN SPIRITS PRIVATE LIMITED	Subsidiary
HEAL YOUR PAWS PET SERVICES LLP	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
GOTO CUSTOMER SERVICES PVT LTD	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
VIRTUAL SOFTWARE & TRAINING PVT LTD.	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
ENHANCED COMMUNICATIONS & TECHNOLOGIES PVT LTD	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
CLOUDCONNECT COMMUNICATIONS PRIVATELIMITED	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
EMPYREAN BEVERAGES PRIVATE LIMITED	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
PRIME VALVE INDIA LLP	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
M R CAPITAL PVT. LTD.	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives.
VIJAY STAMPINGS PVT. LTD.	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
MARBLE ARCH ESTATE PVT. LTD.	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
SMOOTH AI PVT. LTD.	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
COMMBITZ ESIM PRIVATE LIMITED	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
COMMBITZ (UK) LTD	Enterprises which are owned or have significant influence of or are partners with Key management person and their relatives
KATI PATANG (UK) LTD	Subsidiary of subsidiary company
Mr. Gokul Naresh Tandan	Chairman & Managing Director

Mr. Rajendra V. Kulkarni	Director
Ms. Mukta Ahuja	Key Managerial Person
Mr. Athar Ahmad	Key Managerial Person
Mr. Vikram Grover	Director
Ms. Geeta Singh	Director
Mr. Sanjay Jain	Director
Mr. Shantanu Upadhyay	Director

Details of material contracts or arrangement or transactions not at arm's length basis – NIL

Details of material contracts or arrangement or transactions at arm's length basis-

Particulars	Subsidiary		KMP		Other Related		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
<u>Receipts/ Payments Transaction during the year</u>								
Unsecured Loans Received	2.00	24.40	162.30	118.60	10.00		174.30	143.00
Unsecured Loans Given	528.00						528.00	-
Repayment of Unsecured Loans	2.00	24.40	108.00	42.50	10.00		120.00	66.90
Payment against Reimbursement of expenses	3.75		0.54	1.58			4.29	1.58
Advance against expenses			2.00			2.00	2.00	2.00
Payment for Professional Services					0.44		0.44	-
Payment for Project expenses					-	2.04	-	2.04
Payment for Director Sitting Fees			1.20	0.93			1.20	0.93
Payment of Salary			23.14	19.95			23.14	19.95
Receipt against sale of services		10.50					-	10.50
<u>Accrual of Income during the year</u>								
Sales of Services		10.50						10.50
Investment sold (Roam1 Telecom Limited)			1,004.88				1,004.88	-
<u>Accrual of expenses during the year</u>								
Full and Final Settlement			2.18	-			2.18	-
Director Sitting Fees			1.05	1.15			1.05	1.15
Other Office expenses			4.63	0.90			4.63	0.90
Professional Expenses					0.44	-	0.44	-
Project related expenses					-	2.04	-	2.04
Staff recruitment expenses					2.00		2.00	-
<u>Year End Balances : Receivables/(-) Payables</u>								
Outstanding Loan	528.00		(1,224.75)	(2,175.33)			(696.75)	(2,175.33)
Sitting Fee Payable			(0.32)	(0.47)			(0.32)	(0.47)
Full and Final Settlement Payable			(2.18)	-			(2.18)	-
Advance against expenses			1.68	0.33	-	2.00	1.68	2.33

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, for the year ended 31 March 2025 and 31 March 2024.

Corporate Governance Report

Corporate Governance is about commitment to values and about ethical business conduct. It's about how an organization is managed. This includes its Corporate Structure, its culture, policies and manner in which it deals with various stakeholders. Accordingly timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of Corporate Governance. This improves public understanding of the structure, activities and policies of the Organization. Consequently, the Organization is able to attract investors, and to enhance the trust and confidence of the stakeholders.

Your Company believes that sound Corporate Governance is critical to enhance and retain investor trust. Accordingly, your Company always seeks to attain its performance rules with integrity. The Board extends its fiduciary responsibilities in the widest sense of the term. Your Company's endeavors to enhance long – term shareholder value and respect minority rights in all our business decisions.

1. Philosophy on Corporate Governance

It satisfies the spirit of law and not just the letter of the law. Corporate Governance standards should go beyond the law. Corporate Governance should :

- a. Be transparent and maintain high degree of disclosures levels. When in doubt, disclose.
- b. Make a clear distinction between personal Conveniences and corporate resources.
- c. Communicate externally, in a truthful manner, about how the Company is run internally.
- d. Have a simple and transparent corporate structure driven solely by the business needs.
- e. Management is the trustee of the shareholder's capital and not the owner.

2. Board of Directors

At the core of its Corporate Governance practice is the Board, which oversees how the management serves and protects the long-term interests of all the stakeholders of the Company. Your Company believes that an active, well – Informed and independent Board is necessary to ensure the highest standards of Corporate Governance. Three directors are independent Directors including a woman director.

During the Financial Year ended 31st March 2025, Ten Board Meetings were held on 30th May 2024, 25th June 2024, 14th August 2024, 22nd August 2024, 3rd September 2024, 14th November 2024, 23rd December 2024, 24th December 2024, 14th February 2024 & 28th March 2025.

The Last Annual General Meeting was held on 30th September 2024.

The Composition of the Board, attendance of Directors at the Board Meetings held during the year under review as well as in the last Annual General Meeting and the number of other Directorships / Committee positions held by them are as under:

S. No.	Name & Designation	Category	No. Of other Directorships held	No of Board meetings		Attended last AGM (30.09.24)
				Held	Attended	
1.	Mr. Gokul Naresh Tandan	MD	8	10	10	Yes
2.	Mr. Rajendra V. Kulkarni	D	8	10	10	Yes
3.	Mr. Geeta Singh	NEID & WD	2	10	10	Yes
4.	Mr. Vikram Grover	NEID	2	10	10	NA
5.	Mr. Sanjay Jain	NEID	15	4	4	NA
6.	Mr. Shantanu UPadhyay	D	3	4	4	NA

(MD- Managing Director, D – Director, NEID – Non-Executive Independent Director, WD-Woman Director)

Directorship / Committee Positions held by Directors: None of the Directors on the Board hold Directorships in more than fifteen

Companies and hold memberships in more than ten Committees and they do not act as Chairman of more than five Committees across all the Companies in which they are Directors.

S. No.	Name of the Director	Directorships			
			Name of the Company	Committee	Position
1.	Mr. Gokul Naresh Tandan	9	1. M/s Kati Patang Lifestyle Ltd 2. M/s. Goto Customers Services Pvt. Ltd. 3. M/s. Virtual Software & Training Pvt.Ltd. 4. M/s. Roam1 Telecom Ltd. 5. M/s Enhanced Communications & Technologies Pvt Ltd 6. M/s Heal Your Paws Pet Services LLP 7. M/s Empyrean Beverages Private Limited 8. M/s Empyrean Spirits Private Limited 9. M/s Commbitz Esim Private Limited	Nil	Director Director Director Director DP Director Director Director
2.	Mr. Rajendra V. Kulkarni	9	1. M/s M R Capital Pvt. Ltd. 2. M/s. Vijay Stampings Pvt. Ltd. 3. M/s. Prime Valves India LLP 4. M/s. Marble Arch Estate Pvt. Ltd 5. M/s. Virtual Software & Training (P). Ltd. 6. M/s. Roam1 Telecom. Ltd. 7. M/s Empyrean Beverages Private Limited 8. M/s Blue Lily Fist Trading LLP 9. M/s Kati Patang Lifestyle Ltd	3	Director Director DP Director Director Director Director DP Director
3.	Shnatanu Upadhyay	4	1. Kati Patang Lifestyle Limited 2. Empyrean Spirits Pvt Ltd 3. Empyrean Beverages Pvt Ltd 4. Alt-Attitude Advisory LLP	Nil	Director Director Director DP
4.	Sanjay Jain	16	1. Jk Defence & Aerospace Limited 2. Kati Patang Lifestyle Limited 3. Allen Reinforced Plastics Ltd 4. Carya Chemicals & Fertilizers Private Limited 5. Dwarkadhish Finance & Invest Company Pvt Ltd 6. Pga Securities Private Limited 7. B.G.K. Infrastructure Developers Private Limited 8. Taj Capital Partners Private Limited 9. Diensten Tech Limited 10. J K Consultancy And Services Private Limited 11. Ushta Te Consultancy Services Llp 12. Express Infra Financial Consultancy Private Limited 13. Manphul Trading And Finance Company Pvt Ltd 14. Tinna Rubber And Infrastructure Limited 15. Shri Gang Industries And Allied Products Limited 16. Suraj Industries Ltd	Nil	Director Director Director Director Director Director Director Director Director Director DP Director Director Director Director Director
5	Geeta Singh	3	1. Empyrean Spirits Private Limited 2. Kati Patang Lifestyle Limited 3. Roam1 Telecom Limited	3	Director Director Director
6.	Vikram Grover	3	1. Divine Power Energy Limited 2. Vibhor Steel Tubes Limited 3. Kati Patang Lifestyle Limited	3	Director Director Director

In addition to the matters which statutorily require Board's approval, as required by Corporate Governance, the following matters are regularly placed before the Board :

- Minutes of Audit Committee Meetings, Nomination & Remuneration Committee, Stakeholder Relationship Committee.
- Recruitment and Remuneration of senior executives below the board level.
- Details of Joint Ventures / Collaboration Agreement.
- Disclosure of material related party transaction, if any
- Compliance with Regulatory and statutory requirements including listing requirements & Shareholders services.
- Details of show cause, demand, prosecution and penalty notices which are materially important
- Transactions involving substantial payments towards goodwill, brand equity or intellectual Property.
- Sale of material nature of investments, subsidiaries and assets, which are outside the normal course of business.

4. Committees of the Board

In terms of the SEBI code, the Board of the Company has constituted the Following Committees:

4.1. Audit Committee

The following are the members and their attendance at the committee meetings:-

S.No.	Name of Directors	Status	No. of meetings	
			Held	Attended
1.	Mr. Rajendra V Kulkarni	Member	6	6
2.	Mr. Vikram Grover	Member	6	5
3.	Ms. Geeta Singh	Chairperson	6	6

During the year under review, the Audit Committee met 6 times on 30th May 2024, 25 June 2024, 14th August 2024, 22nd August 2024, 14th November 2024, 14th February 2025.

The broad terms of references of Audit Committee are as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment / re- appointment of external and internal auditors, tax auditors, fixation of statutory audit fees, internal audit fees, secretarial audit fees and tax audit fees and also approval for payment of any other services.
- Review and management the annual financial statements before submission to the Board.
- Review quarterly UN – audited /audited financial results, half yearly review report.
- Review with Management, external and internal auditors the adequacy of internal control system.
- Review the adequacy of internal audit program me, internal audit reports; follow up reports and guidelines prepared for internal audit.
- To do any internal investigations either departmentally or with the help of internal auditors or any other outside agency into matters where they are suspected fraud or irregularities.
- Discussion with external Auditors before the Audit commences about nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- Review the Company's financial and Risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors.

4.2. Nomination & Remuneration Committee:

The Committee consists of three Directors chaired by NEID.

The Committee met Four times during the year on 5 times on 30th May 2024, 25 June 2024, 14th August 2024, 14th November 2024 & 14th February 2025.

. The following are the members and their attendance at the Committee Meetings: -

Name of Member	Status	No. of meetings	
		Held	Attended
Mr. Rajendra V Kulkarni	Member	5	5
Mr. Vikram Grover	Member	5	5
Ms. Geeta Singh	Chairperson	5	5

4.3. Stakeholder Relationship Committee

The Committee consists of three Directors chaired by NEID.

This Committee looks into transfer and transmission of Shares, issue of duplicate share certificates, Consolidation and sub – division of shares and investors’ grievance. This Committee particularly looks into Investors Grievances and oversees the performance of the in- house Share Department/ Share Transfer Agents and to ensure prompt and Efficient investors’ services. The Committee met Four times during the year on 5 times on 30th May 2024, 25 June 2024, 14th August 2024, 14th November 2024, 14th February 2025 The following are the members and their attendance at the Committee Meetings: -

Name of Member		No. of meetings	
		Held	Attended
Mr. Rajendra V Kulkarni	Member	5	5
Mr. Vikram Grover	Member	5	5
Ms. Geeta Singh	Chairperson	5	5

5. General Body Meetings

Location and time where General Meetings held in the last 3 years are given below:

Year	AGM / EGM	LOCATION	DATE	TIME
2024-25	EGM	Through Video Conferencing	25.07.2024	9:00 A.M.
2024-25	EGM	Through Video Conferencing	11.02.2025	9.00 A.M.
2024-25	AGM	Through Video Conferencing	30.09.2024	9.00 A.M
2023-24	AGM	Through Video Conferencing	29.09.2023	9.00 A.M
2022-23	AGM	Through Video Conferencing	30.09.2022	9.00 A.M

At the ensuing AGM also there is no such resolution to be passed through Postal Ballot.

6. Disclosures on materially significant related party transactions with Promoters, Directors, Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the Company at large.

None of the materially significant transactions with any of the related parties were in conflict with the interest of the Company.

7. Non – compliance by Company, penalties, strictures imposed on the Company by Stock Exchanges / Securities and Exchange Board of India (SEBI) etc.

No penalties applicable. However, Interest was paid on late payment of annual listing fees to BSE during the year under review.

8. Means of Communication

This is being done through Quarterly, half yearly and annual results, which are being published in English and Hindi daily newspapers. Also published on the website of the company www.katipatang.com

9. General Shareholders Information:

Detailed information in this regard provided in the shareholder information section forms part of this Annual Report.

10. Compliance Certificate:

The Company Secretary have certified that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed to The Director's Report.

The Certificate form the Statutory Auditors will be sent to the Listed Stock Exchanges along with the Annual Return of The Company.

SHAREHOLDERS INFORMATION

Registered Office : S-101, Panchsheel Park, New Delhi-110 017
 Corporate Office : 504, Savitri Cinama Complex, Greater Kailash-II, New Delhi-110020
 Ensuing Annual General Meeting : Date & Time: 30th September, 2025 at 9:00 a.m.

Financial Calendar:

-Financial reporting for the quarter ending June 30. 2025 : 14th August 2025
 -Financial reporting for the quarter ending Sep 30. 2025 : 14th November 2025
 -Financial reporting for the quarter ending Dec 31. 2025 : 14th February 2026
 -Financial reporting for the Year ending March 31. 2026 : 30th May 2026

Date of Book Closures: September 23, 2025 to September 29, 2025, both days inclusive.

Listing on Stock Exchanges:

The Equity Shares of the Company are listed on the Stock Exchange at Bombay Stock Exchange, Mumbai.

Status of Dematerialization as on March 31, 2025:

PARTICULARS	NO. OF SHARES	% TO TOTAL CAPITAL
National Security Depository Limited	2,41,73,641	70.22%
Central Depository Services (India) Limited	97,39,583	28.29%
TOTAL DEMATERIALIZED	3,39,13,224	98.51%
PHYSICAL	5,10,056	1.49%
TOTAL	3,44,23,280	100%
SHARES UNDER LISTING	14,75,000	-
GRAND TOTAL	3,58,98,280	100%

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

(For the Financial Year Ended 31st March 2025)

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

To,
The Members
Kati Patang Lifestyle Limited
(Formerly known as Virtual soft Systems Limited)
S-101, Panchsheel Park
New Delhi-110017

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Kati Patang Lifestyle Limited (hereinafter referred to as the Company) bearing CIN L72200DL1992PLC047931. 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 31st March 2025, 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 31st March 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 Bye-laws framed thereunder;
- iv Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign direct investment, Overseas direct Investment and External Commercial borrowings; (to the extent applicable)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
(Not applicable to the company during the Audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

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(Not applicable to the company during the Audit period)

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(Not applicable to the company during the Audit period)

vi. We have also examined, on test-check basis, the relevant documents and records maintained by the Company according to the following laws applicable specifically to the Company:

- a) The Employee State Insurance Act, 1948
- b) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- c) The Payment of Bonus Act, 1965
- d) The Sexual harassment of Women at Workplace (P&R) Act, 2013
- e) The Payment of Gratuity Act, 1979
- f) Food Safety and Standards Act, 2006
- g) The Legal Metrology Act, 2009
- h) The Environment Protection Act, 1986 and all other related laws applicable

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the company with Stock exchange(s), if applicable

We have not examined compliance by the company with applicable financial laws like direct and indirect tax laws, since the same has been subject to review by statutory audit and other designated professionals. During the period under review the company has generally 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 and Non-Executive 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.

In general, 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.

As per the minutes of the meetings duly recorded and signed by the chairman, the decision of the board was unanimous and no dissenting members' views have been recorded.

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 except for the following events, there was no events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. During the year under review, the company has acquired 1,901,568 equity shares of M/s Emyrean Spirits Private Limited (hereinafter referred to as the ESPL") having face value of Rs. 10/- per share for a total purchase consideration of Rs. 190,156,800 through swap of shares which eventually leads to the former becoming the material subsidiary of the company. Additionally, the company has divested its investment in Roam1 Telecom Limited, a former subsidiary.

2. During the year under review, the company had acquired 98% stake in ESPL, a beer manufacturing company known under the brand name Kati Patang. In light of the aforesaid acquisition and to reflect the business of ESPL in its name, the name of the company was changed from Virtualsoft systems Limited to Kati Patang Lifestyle Limited after the necessary approvals from Registrar and stock exchange. Moreover, the company has started a new line of business activity dealing in all types of beverages, soft drinks, soft drinks concentrates, mineral water and its by-products.

3. During the year under review, the company has applied for the listing of 24,125,680 equity shares each with a face value of Rs. 10 per share issued on a preferential basis in accordance with Chapter V of the SEBI (ICDR) Regulations, 2018. Further, the company has applied for the listing of 1,475,000 equity shares issued at a price of Rs. 10 per share upon exercise of conversion of warrants issued on a preferential basis in accordance with Chapter V of the SEBI (ICDR) Regulations, 2018.

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For Saket Billa & Associates

(Company Secretaries)

Sd/-

Saket Billa

(Proprietor)

ACS: 22007, CP No: 21904, PR no. 4485/2023

UDIN: A022007G001105045

Dated August 29th 2025 at New Delhi

Kati Patang Lifestyle Limited

This report is to be read with our letter of even date which is annexed as 'Annexure 1' and forms an integral part of this report

Annexure 1

To,

The Members

Kati Patang Lifestyle Limited (Formerly known as Virtual soft Systems Limited)

S-101, Panchsheel Park, New Delhi-110017

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. Where ever required, we have obtained the Management confirmations about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. 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 Saket Billa & Associates

(Company Secretaries)

Sd/-

Saket Billa

(Proprietor)

ACS: 22007 CP No: 21904, PR no. 4485/2023

**FORM NO. MR.3
SECRETARIAL AUDIT REPORT**

(For the Financial Year Ended 31st March 2025)

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

**To,
The Members
Empyrean Spirits Private Limited
504, Savitri Cinema Complex, Greater Kailash-2 , New Delhi-110048**

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Empyrean Spirits Private Limited (*hereinafter referred to as the Company*) bearing **CIN U15549DL2017PTC313380**. 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 31st March 2025, 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 31st March 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
(Not applicable to the company during the Audit period)
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign direct investment, Overseas direct Investment and External Commercial borrowings; **(to the extent applicable)**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the company during the Audit period)**

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **((Not applicable to the company during the Audit period))**

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **((Not applicable to the company during the Audit period))**

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 **(Not applicable to the company during the Audit period)**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the company during the Audit period)**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the company during the Audit period)**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the company during the Audit period)**

vi. We have also examined, on test-check basis, the relevant documents and records maintained by the Company according to the following laws applicable specifically to the Company:

- a) The Employee State Insurance Act, 1948
- b) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- c) The Payment of Bonus Act, 1965
- d) The Sexual harassment of Women at Workplace (P&R) Act, 2013
- e) The Payment of Gratuity Act, 1979
- f) Food Safety and Standards Act, 2006
- g) The Legal Metrology Act, 2009
- h) The Environment Protection Act, 1986 (to the extent applicable)

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the company with Stock exchange(s), if applicable

We have not examined compliance by the company with applicable financial laws like direct and indirect tax laws, since the same has been subject to review by statutory audit and other designated professionals.

During the period under review the company has generally 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 and Non-Executive 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.

In general, 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.

As per the minutes of the meetings duly recorded and signed by the chairman, the decision of the board was unanimous and no dissenting members' views have been recorded.

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Kati Patang Lifestyle Limited

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 except for the following events, there was no events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. During the year under review, the company became the Material subsidiary of M/s Kati Patang Lifestyle Limited by transfer of 1,901,568 equity shares of the company having face value of Rs. 10/- per share for a total sale consideration of Rs. 190,156,800/- through swap of shares.

2. Members of the Company at their Extraordinary General Meeting held on June 24, 2024 accorded approval for:

(a) Re-Classification of the Authorised Share Capital of the Company;

(b) Increase in the Authorised Share Capital of the Company;

(c) Alteration in Article of Association of the company;

(d) Variation of the terms of Class B equity shares by converting them into only Equity class of the company and

(e) Offer and issue of upto 560,000 equity shares on preferential basis to the lenders towards conversion of outstanding unsecured loans

For Saket Billa & Associates

(Company Secretaries)

Sd/

Saket Billa

(Proprietor)

ACS: 22007, CP No: 21904, PR no. 4485/2023

UDIN: A022007G001105111

Dated August 29th 2025 at New Delhi

This report is to be read with our letter of even date which is annexed as 'Annexure 1' and forms an integral part of this report.

Annexure 1

To,

The Members

Empyrean Spirits Private Limited

504, Savitri Cinema Complex, Greater Kailash-2, New Delhi-110048

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. Where ever required, we have obtained the Management confirmations about the compliance of laws, rules and regulations and happening of events etc.

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Kati Patang Lifestyle Limited

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 Saket Billa & Associates

Sd/-

Saket Billa

ACS: 22007, CP No: 21904,PR no. 4485/2023