



**Lotus Chocolate Company Ltd**  
(An ISO 22000:2005 Certified Company )

Sumedha Estates(Puzzolana Towers),  
Avenue - 4, Street No.1, Road No.10,  
Banjara Hills, Hyderabad - 500034, T.S., India.  
Tel : 91-40-2335 2607/ 08 / 09  
Fax : 91-402335 2610  
E-mail : info@lotuschocolate.com  
Web : www.lotuschocolate.com  
CIN No : L15200TG1988PLC009111

**Transcript of 34<sup>th</sup> Annual General Meeting of Lotus Chocolate Company Limited held on Thursday, August 10, 2023 at 11:30 a.m. (IST) through Video Conferencing.**

Bharathan Rajagopalan Thatai, Chairman of Lotus Chocolate Company Limited (LCCL), occupied the chair and conducted the proceedings of the Meeting.

Ladies and Gentlemen, Good Morning!

It's 11:30 a.m. Indian Standard Time and time to start the Meeting.

I welcome all of you to the 34<sup>th</sup> Annual General Meeting of the Company.

This Meeting is being held through Video Conferencing / other audio-visual means in compliance with the circulars issued by the Ministry of Corporate Affairs, Government of India and SEBI. The company has taken all feasible steps to ensure that the shareholders of the company are provided an opportunity to participate in the Annual General Meeting and vote.

Adequate Video Conferencing / other audio-visual means facility has been provided to the members of the company to participate in this meeting and vote.

The requisite quorum is present and, therefore, I call the meeting to order.

The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or Arrangements in which Directors are interested and other documents referred to in the Notice convening this meeting are available.

These will remain accessible to the members for inspection electronically, if they so desire, till the conclusion of the meeting.

Authorization has been lodged with the company from corporate shareholder.

I wish to introduce, for the benefit of members my colleagues on the board of the company: Mr. G. S. Ram, Mr. Dinesh Taluja, Mr. K.K. Thirumalai, Mr. Ketan Modi, Ms. Renuka Shastri, Prof. Dipak C Jain and Mr. K. Sudarshan.

Mr. Sikander Khullar, Chief Executive Officer, Mr. S Gautham, Chief Financial Officer, Mr. Subodhakanta Sahoo, Company Secretary and the representatives of the Statutory Auditors and Secretarial Auditor are also present at this Annual General Meeting.



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Dear Members,

Notice dated July 18, 2023 convening this Annual General Meeting along with a copy of the Annual Report for the financial year ended March 31, 2023, have already been circulated to members of the company electronically.

With your permission, I shall take the same as read.

The Auditors' Report on the financial statement and the secretarial audit report of the company for the financial year ended 31<sup>st</sup> March, 2023 do not contain any qualification, reservation, adverse remark or disclaimer. Accordingly, these Reports are not required to be read out, as provided in the Companies Act, 2013.

Dear Members,

The Company is well known as a reliable business partner for the supply of cocoa and chocolate products. Starting from the cocoa bean processing to delivering fine chocolates, the Company's fully integrated manufacturing facility is built with the best-in technologies and expertise from across the globe. It is a one-stop chocolate hub for its valued customers.

The Company's vision is to build a world-class confectionary products business across customer segments packed by best-in-class manufacturing capabilities.

With regard to the financial and operating performance, your Company earned a revenue from operations of ₹ 62.72 crore during the financial year 2022-23, as against ₹ 86.98 crore during the previous financial year.

The Company incurred a loss for the year amounting to ₹ 6.95 crore as compared to profit of ₹ 6.01 crore in the previous year.

The Company becoming subsidiary of Reliance Consumer Products Limited will help drive the growth and expansion of the company into comprehensive confectionary, cocoa, chocolate derivatives and related products manufacturer across industrial and consumer market spectrum backed by state-of-the-art manufacturing, best-in-class processes and people and this will help boost indigenously developed daily use high quality products, to serve a broad customer spectrum at affordable prices.

On behalf of the Board of Directors, I would like to express our sincere appreciation for the continued and consistent support received from all the shareholders of the company and also from all the other stakeholders.

I would also like to thank my colleagues on the Board for their continued guidance, support and contributions made to the Company.



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On behalf of the Board, I also wish to acknowledge the committed services of the employees of the Company at all levels during the year.

In accordance with the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, remote e-voting facility was provided to the Members to cast their votes from August 5, 2023 to August 9 2023.

The facility for voting electronically is available to those shareholders who are attending this meeting and have not cast their vote through remote e-voting. The tab for e-voting is available on the Member Voting Screen under EVSN tab.

The Board of Directors has appointed Ms. Rakhi Agarwal, Practicing Company Secretary, as the Scrutinizer for giving a report on e-voting and she is present at the Meeting.

I now move the resolutions for all the 9 items contained in the Notice.

The objective and implication of each resolution is to ensure compliance with Companies Act, 2013 read with the rules made thereunder.

I now move the resolution for the item number 1 of the Notice:

Item number 1: Consideration and Adoption of the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon by way of an Ordinary Resolution.

May I request a shareholder to propose another member to second the same.

Item number 2: Appointment of Statutory Auditors of the company and fixation of their remuneration by way of an Ordinary Resolution.

May I request a shareholder to propose another member to second the same.

Item number 3: Appointment of Mr. Krishnakumar Thirumalai as a Director by way of an Ordinary Resolution.

May I request a shareholder to propose another member to second the same.

Item Number 4: Appointment of Mr. Ketan Mody as a Director by way of an Ordinary Resolution.

May I request a shareholder to propose and another member to second the same.



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Item number 5: Appointment of Mr. Dinesh Taluja as a Director by way of an Ordinary Resolution.

May I request a shareholder to propose and another member to second the same.

Item number 6: Appointment of Ms. Renuka Shastry as a Director by way of an Ordinary Resolution.

May I request a shareholder to propose and second these resolutions.

Item Number 7: Appointment of Prof. Dipak C. Jain as an Independent Director by way of a Special Resolution.

May I request a shareholder to propose and second these resolutions?

Item Number 8: Appointment of Mr. Krishnan Sudarshan as an Independent Director by way of a Special Resolution.

May I request a shareholder to propose and second these resolutions?

Item Number 9: Adoption of the restated Articles of Associations of the Company by way of a Special Resolution.

May I request a shareholder to propose and second these resolutions?

I now request Mr. Subodhakanta Sahoo, Company Secretary and Compliance Officer, to facilitate the question and answer session.

**Subodhakanta Sahoo:** Thank you, Sir.

We have received requisitions from Shareholders to speak at the meeting. I request the moderator to technically facilitate the session so that speakers can speak one by one. Shareholders are requested to be brief and not to repeat the questions.

Now I would like to request Mr. VL Murthy to unmute. Moderator please unmute Mr. VL Murthy.



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**Moderator:** Mr. VL Murthy has not joined the meeting.

**Subodhakanta Sahoo:** Next is YVS Shivprasad.

**Moderator:** He has also not joined the meeting.

**Subodhakanta Sahoo:** Keshav Garg.

**Moderator:** He has also not joined the meeting.

**Subodhakanta Sahoo:** Lekha Shah.

**Lekha Shah:** Thank you so much sir. Respected Chairman Sir, Board of Directors and my fellow members.

Good morning to all of you, myself Lekha Shah from Mumbai. First of all I am very much thankful to Company Secretary for extending very good investor services and also sending me the AGM notice well in time which is full of knowledge, facts and figures in place and also our Company Secretary always answered all my calls and have happily clear my all doubts. Once again thank you so much Subodhji. Thank you, Chairman Sir, for explaining all aspect of the company. Congratulations for excellent work sir. Sir, I pray to god that he always showers his blessings upon you. I am proud to be a shareholder of this company. Chairman Sir, Resolution No. 2,4,6 and 8. I strongly and whole heartily support all the resolutions for today's meeting and my best wishes have always for our company and its prosperity. Thank you so much.

**Subodhakanta Sahoo:** Next is Praful Chavda.

**Moderator:** Mr. Praful Chavda has not joined the meeting.

**Subodhakanta Sahoo:** There is no further speaker left. Now, I would like to request to CEO/CFO to answer the questions raised by the shareholders.

**Sikandar Khullar:** Absolutely, will do that. So, the CFO is also here with me.

I am the CEO, my name is Sikander and the CFO is Mr. Gautham.

**S. Gautham:** Hi, Good Morning to all.

**Sikandar Khullar:** He is also stationed here with us.

**Subodhakanta Sahoo:** Yes Sir, I have to read out the question.



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**Subodhakanta Sahoo:** Mr. Keshav Garg from Pune has raised some questions so first question, what is the outlook for FY 23-24 in terms of top-line and bottom line?

**Sikander Khular:** Right, so we are actually now improving our turnover and margins in the current year and this we will be achieving through our focus on sourcing and the pricing of our products. In addition, the Indian economy outlook is positive, and we are confident of a positive impact on our business on this account.

**Subodhakanta Sahoo:** Next question, what is the sustainable steady state EBITDA that we should expect?

**S. Gautham:** Right, I would like to take this question. We are aggressively working on improving margins on all the products and realising the synergy of the promoters and Investors, thus, by improving profitability of the organisation.

**Subodhakanta Sahoo:** Next question, when will be the break-even?

**S.Gautham:** So, we are working in turning around our business performance with a higher focus on profitability, better sourcing, better pricing for all our products and better pricing strategies with all our customers with redefining elemental profitability and it will be very soon.

**Subodhakanta Sahoo:** What is the maximum revenue that we can generate at full capacity utilisation and what are our capex plans?

**Sikander Khullar:** So at this point of time, our focus is to actually drive the efficiencies and the better how we can optimize and maximize the capacities that we already have with us so that's our priority number one focus and in the coming quarters, what we are planning to do is that we will be focusing on our business requirements and accordingly we will make further investments on the capital investments that we are planning.

**Subodhakanta Sahoo:** There is no further question left, I would like to request Chairman Sir to take the further.

**Sikander Khullar:** Thank you so much.

**Prof. Dipak C. Jain:** Thank you everyone.

**Bharathan Rajagopalan Thatai:** On behalf of the Board, I thank each and every shareholder for their invaluable comments and suggestions. I now request Ms. Rakhi Agarwal, Scrutinizer for an orderly conduct of the voting.

The e-voting results, along with the consolidated Scrutinizer's report, will be submitted to BSE Limited and will also be placed on the website of the Company.



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In conclusion, I am thankful to all the shareholders who attended this meeting.

On behalf of the members present at the meeting, I would like to thank all Board Members, representatives of Statutory Auditors and Secretarial Auditor and Scrutinizer for their presence in the meeting.

All items of businesses set out in the Notice of this Annual General Meeting have been concluded. A time period of 30 minutes will be available for voting after which this meeting will stand closed.

Thank you.

**Subodhakanta Sahoo:** I would like to request to propose a vote of thanks to the Chairman.

**Subodhakanta Sahoo:** Thank you so much.

**Prof. Dipak C. Jain:** Thank you Mr. Chairman.

The Meeting concluded at 12:20 p.m. (IST).