



LOTUS CHOCOLATE COMPANY LTD

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

Preamble

Regulations 25(7) and 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, stipulates that the Company shall familiarize the independent directors with the nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities in the Company, etc., through various programmes and the details of such familiarization programmes shall be disseminated on the website of the Company.

Overview of the familiarization process

All Independent Directors are aware and further updated about their roles, rights, responsibilities in the Company. Newly appointed director(s) are provided information about the Company, Memorandum and Articles of Association, Annual Reports etc. The appointment letter issued to Independent Directors, inter-alia, sets out their roles & responsibilities, fiduciary duties and the accompanying liabilities that come with the appointment as a director of the Company.

Independent Directors are provided with applicable documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, business strategy and risks involved. Updates on material regulatory changes are also presented to the Board and Committees, as applicable.

Each Director of the Company has complete access to every relatable information of the Company. Company's senior management are available for Independent Directors to interact on various issues, like business updates, changing regulatory environment, financial health of the Company etc.

They are provided with all the information sought by them for enabling a good understanding of the Company, its various operations and the industry segments of which it is a part. Further, they meet without the presence of the Company's Management Personnel to discuss matters pertaining to the Company's affairs and put forth their combined views to the Management. Further, they meet without the presence of the Company's management to discuss matters pertaining to the Company's affairs and put forth their combined views to the Chairman of the Board.

Familiarization Programmes imparted by the Company to Independent Directors during and at the end of financial year 2023-24 are detailed below:

1. Prof. Dipak C. Jain and Mr. K Sudarshan, who were appointed as Independent Directors on the Board of the Company during the year, were provided information about the Company, its nature of business activities / operations, Memorandum and Articles of Association, Annual Reports of past years, along with letter of appointment setting out, *inter-alia*, the terms and conditions of their appointment, their roles & responsibilities, their fiduciary duties and accompanying liabilities associated with their appointment as directors of the Company.
2. Presentations on risk management of the Company, internal and external audit plans, business and financial performance, updates on compliances, company policies, internal controls, investor relations etc. were made at various Committee / Board Meetings of the Company which enabled active participation by the Independent Directors.
3. Number of hours spent by the Independent Directors in such Programmes during the financial year ended March 31, 2024 are approximately 16 hours and on a cumulative basis were 46 hours for Mr. Bharathan Thatai and 5 hours each for Prof. Dipak C. Jain and Mr. K Sudarshan.