

CORPORATE INFORMATION

Board of Directors

MANG KO NOH
Chairman

MILAN WAHI (from 10.10.2016)
Managing Director

SURESH SESHADRI IYER (till 30.09.2016)
Managing Director

YOUNG TAE MOON
Executive Director

MOO SUN SONG
Whole Time Director

MYUNG KI MIN (till 10.07.2015)
Director

D.G. RAJAN
Independent Director

YOUNG MI LEE
Independent Director

Company Secretary

T . G . KARTHIKEYAN

Registered Office

NO. 4/111, MOUNT POONAMALLEE ROAD,
MANAPAKKAM, CHENNAI 600 089

Head Office

4/169, RAJIV GANDHI SALAI (OMR),
KANDANCHAVADI,
CHENNAI - 600 096.

Factories

NELLIKUPPAM (CUDDALORE DIST.), TAMIL NADU.
POONAMALLEE-THIRUVALLUR ROAD, CHENNAI, TAMIL NADU.
ROHTAK (HARYANA)

Auditors

B S R & Co. LLP
CHARTERED ACCOUNTANTS, CHENNAI

Bankers

STANDARD CHARTERED BANK
HDFC BANK LTD.

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TEN YEARS AT A GLANCE

Rs. Lakh

	2007-08	2008-09	2009-10	2010 (9 Months Apr-Dec) @	2011	2012	2013	2014	2016 (15 months Jan 2015- March 2016)
OPERATING RESULTS:									
GROSS INCOME	16,815	18,342	19,703	17,386	28,874	31,932	35,866	37,448	48,132
PROFIT/(LOSS) BEF DEPN., INTEREST & TAX	83	612	983	1,020	2,337	2,389	2,419	2,061	2,815
PROFIT/(LOSS) BEF INTEREST & TAX	(446)	81	519	68	623	842	661	319	(919)
PROFIT/(LOSS) BEFORE TAX (PBT)	(770)	(272)	501	56	615	837	649	272	(2,351)
PROFIT/(LOSS) AFTER TAX (PAT)	(579)	(214)	254	(618)	485	666	512	131	(2,251)
DIVIDENDS	-	-	-	-	-	-	-	-	-
DIVIDEND TAX	-	-	-	-	-	-	-	-	-
RETAINED PROFITS	(579)	(214)	254	(618)	485	666	512	131	(2,251)
SOURCES AND APPLICATION OF FUNDS:									
SOURCES OF FUNDS:									
SHARE CAPITAL	377	377	377	956	956	956	956	956	1,086
RESERVES AND SURPLUS	3,847	3,633	3,888	43,087	43,572	44,238	44,750	44,881	49,106
TOTAL SHAREHOLDERS' FUNDS	4,225	4,010	4,265	44,043	44,528	45,194	45,706	45,837	50,192
BORROWINGS	3,543	34	-	-	-	-	-	12,666	30,945
DEFERRED TAX LIABILITY	-	-	-	-	-	-	5	111	-
FUNDS EMPLOYED	7,768	4,045	4,265	44,043	44,528	45,194	45,711	58,615	81,137
APPLICATION OF FUNDS:									
GROSS FIXED ASSETS	12,616	12,746	12,767	48,390	47,943	48,138	55,166	55,388	93,863
DEPRECIATION	6,473	6,968	7,315	8,265	9,070	10,616	12,255	13,998	17,718
NET FIXED ASSETS	6,143	5,778	5,452	40,125	38,874	37,522	42,911	41,390	76,146
CAPITAL WORK-IN-PROGRESS	85	77	1	27	842	3,203	141	7,425	151
INVESTMENTS	-	-	-	-	-	-	0.26	0.26	0.26
DEFERRED TAX ASSET (NET)	739	824	663	-	-	-	-	-	-
DEFERRED TAX LIABILITY (NET)	-	-	-	-	-	-	-	-	-
GROSS CURRENT AND NON-CURRENT ASSETS	3,319	3,501	4,470	7,827	9,614	10,120	7,849	15,580	18,022
CURRENT & NON CURRENT LIABILITIES & PROVISIONS	2,518	6,135	6,320	3,935	4,802	5,651	5,190	5,781	13,182
NET CURRENT & NON CURRENT ASSETS	801	(2,634)	(1,851)	3,892	4,812	4,469	2,659	9,799	4,840
DEFERRED REVENUE EXPENDITURE	-	-	-	-	-	-	-	-	-
DEBIT BALANCE IN P & L	-	-	-	-	-	-	-	-	-
NET ASSETS EMPLOYED	7,768	4,045	4,265	44,043	44,528	45,194	45,711	58,615	81,137
RATIOS:									
ROCE (%)	(5.72)	1.38	12.49	0.28	1.41	1.88	1.47	0.61	(1.31)
PBDIT TO GROSS INCOME(%)	0.50	3.33	4.99	5.87	8.09	7.48	6.75	5.50	5.85
PAT ON SHAREHOLDERS' FUNDS(%)	(13.71)	(5.34)	5.96	(1.40)	1.09	1.47	1.12	0.29	(4.48)
EARNINGS PER EQUITY SHARE(Rs)	(15.36)	(5.68)	6.74	(6.95)	5.07	6.97	5.35	1.37	(22.85)
DIVIDEND PER EQUITY SHARE(Rs)	-	-	-	-	-	-	-	-	-
NET WORTH PER EQUITY SHARE(Rs)	112.02	106.34	113.08	495.76	465.77	472.74	478.09	479.47	462.71
DEBT: EQUITY RATIO	0.84	0.01	-	-	-	-	-	0.28	0.62

* Includes merger of Confectionery Specialities Ltd. (100 % Subsidiary)

@ Includes merger of Lotte foods India Private Ltd (Subsidiary of Lotte confectionery Co. Ltd, Korea)

LOTTE INDIA CORPORATION LIMITED

Regd Office : No.4/111, Mount Poonamallee Road, Manapakkam, Chennai 600 089.
Phone No.044-4545 8888 ; FAX : 044-4545 8800; e-mail : compsecy@lotteindia.com
Corporate Identity Number : U15419TN1954PLC001987; Website: www.lotteindia.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixty first Annual General Meeting of the Company will be held on Thursday, the 15th December, 2016 at 10.30 A.M. at M.A.Chidambaram Hall, Southern India Chamber of Commerce and Industry, Esplanade, Chennai -600 108, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report and the audited Statement of Profit and Loss for the 15th months period ended 31st March, 2016 and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint a Director in the place of Mr. Mang Ko Noh, who retires by rotation and is eligible for reappointment.
3. To consider the appointment of M/s. Price Waterhouse Chartered Accountants LLP, Chennai as Statutory Auditors of the Company to hold office from the conclusion of the 61st Annual General Meeting till the conclusion of the 66th Annual General Meeting subject to ratification as per the provisions of Companies Act, 2013 and to fix their remuneration.

SPECIAL BUSINESS

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

RESOLVED THAT Mr.Milan Wahi (DIN : 05242884), who was appointed as an Additional Director of the Company with effect from 12th September, 2016, whose term of office as an Additional Director expires at this Annual General Meeting and in respect of whom the company has received a notice under section 160 of the Companies Act, 2013

in writing, proposing his candidature for the office of Director be and is hereby appointed as Director of the Company, whose period of office shall be liable to retire by rotation.

5. 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 and 203 read with schedule V and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof, the approval of the members of the company be and is hereby accorded to the appointment of Mr.Milan Wahi (DIN : 05242884) as Managing Director of the company for a period of 3 years with effect from 10th October, 2016 upon the terms and conditions including remuneration as set out in this Resolution

(a) Salary

- (i) Rs.2,86,667 per month as basic salary.
- (ii) Rs.2,69,694 per month towards allowances such as House rent allowance, special allowance and leave travel allowance.

(b) Benefits

- (i) Rs.68,000 per month towards Maintenance of car, fuel, driver's salary, telephone and mobile charges.
- (ii) Performance incentive subject to a maximum of Rs.9,00,000 per annum as per Company' policy
- (iii) medical insurance and other benefits as applicable to the senior management personnel of the company, will be provided in accordance with the rules and regulations of the company

NOTICE TO SHAREHOLDERS (Contd)

- (iv) Rs.25,000 per annum in aggregate towards Club subscription fee.
- (c) Gratuity and Contribution to Provident fund shall be payable as per applicable Acts. Superannuation fund payment shall be in accordance with Company's policy in force.

RESOLVED FURTHER THAT Mr.Milan Wahi shall be governed by all service conditions of the Company as applicable to Senior Management personnel and directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to alter or vary the terms and conditions of the said appointment in such manner as the Board may deem fit subject to complying applicable provisions of law at that point of time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

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

RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modifications or re-enactment thereof, the following revised remuneration be paid to Mr.Young Tae Moon, (DIN : 07235966) Executive Director of the Company with effect from 1st April, 2016

(a) Salary

- i. Rs.60,000 per month as basic salary

- ii. Rs.4,23,915 per month towards allowances such as personal allowance and grade allowance.

(b) Benefits

- i) Rent free furnished accommodation expenses subject to a maximum of Rs.2,62,500 per month and if required with an increase upto 15% p.a.
- ii) Rs.46,000 per month towards maintenance of car, fuel and driver's salary.
- iii) Medical insurance premium and medical reimbursements subject to a maximum of Rs.118,000 in aggregate per annum and company's policy.
- iv) Rs.2,00,000 per annum in aggregate towards club membership / subscription fee.
- v) Reimbursement of cost of repairs, maintenance and utilities (eg. gas, electricity and water charges), and repairs for the said housing accommodation on actual.
- vi) Leave travel concession expenses on actual for one trip from India to Korea and return for him and his family subject to a maximum of Rs. 7.00 lacs in aggregate per annum.
- (c) Gratuity and Contribution to Provident fund shall be payable as per applicable Acts. Superannuation fund payment shall be in accordance with Company's policy in force.

RESOLVED FURTHER THAT Mr. Young Tae Moon shall be governed by all service conditions of the Company as applicable to Senior Management personnel and directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby

NOTICE TO SHAREHOLDERS (Contd)

authorised to alter or vary the terms and conditions of the said appointment in such manner as the Board may deem fit subject to complying applicable provisions of law at that point of time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

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

RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modifications or re-enactment thereof, the following revised remuneration be paid to Mr.Moo Sun Song (DIN : 06891507), Whole Time Director of the Company with effect from 1st April, 2016

(a) Salary

- i. Rs.55,000 per month as basic salary
- ii. Rs.1,62,761 per month towards allowances such as personal allowance and grade allowance.

(b) Benefits

- i) Rent free furnished accommodation expenses subject to a maximum of Rs.1,16,000 per month and if required with an increase upto 15% p.a.
- ii) Rs.28,000 per month towards maintenance of car, fuel, driver's salary.
- iii) Medical insurance premium and medical reimbursements subject to a maximum of

Rs.118,000 in aggregate per annum and company's policy.

- iv) Rs.2,00,000 per annum in aggregate towards club membership / subscription fee.
- v) Reimbursement of cost of repairs, maintenance and utilities (eg. gas, electricity and water charges), and repairs for the said housing accommodation on actual.
- vi) Leave travel concession expenses on actual for one trip from India to Korea and return for him and his family subject to a maximum of Rs. 3,50,000 in aggregate per annum.
- (c) Gratuity and Contribution to Provident fund shall be payable as per applicable Acts. Superannuation fund payment shall be in accordance with Company's policy in force.

RESOLVED FURTHER THAT Mr. Moo Sun Song shall be governed by all service conditions of the Company as applicable to Senior Management personnel and directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to alter or vary the terms and conditions of the said appointment in such manner as the Board may deem fit subject to complying applicable provisions of law at that point of time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

8. To consider and if thought fit, to pass with or without modification(s) the following resolution

NOTICE TO SHAREHOLDERS (Contd)

as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft clauses contained in the Memorandum of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Memorandum of Association of the Company with immediate effect;

“RESOLVED FURTHER THAT any one Director of the company and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read

with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company with immediate effect;

“RESOLVED FURTHER THAT any one Director of the company and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For Lotte India Corporation Limited

Chennai
November 12, 2016

T.G. Karthikeyan
Company Secretary

Notes

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item Nos.4 to 9 and statement pursuant to the provisions of Part-II of Section –II (iv) of Schedule V of the Companies Act, 2013 are annexed.
2. A member entitled to attend and vote at the above meeting may appoint one or more Proxies to attend and vote on poll instead of him / her. The Proxy need not be a Member of the Company.
3. Proxy to be valid, shall be deposited with the Company's Registered office not later than forty eight hours before the time for holding the meeting. The person shall not be appointed as proxy on behalf of more than fifty members. A Proxy Form is attached herewith.
4. Members, who are having shares in physical form are requested to intimate change in their addresses, if any, immediately to the Company at its Head Office quoting their folio number, certificate number.
5. Members, who are having shares in Demat form are requested to intimate change in their addresses, if any, immediately to their Depository Participants with whom they are maintaining their Demat Account.
6. Book closure: The Register of Members and Share Transfer books of the Company shall remain closed from 9th December, 2016 to 15th December, 2016 (both days inclusive).
7. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail address with the Company by sending an email to "compsecy@lotteindia.com", in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in Demat form to enable the Company to serve documents in electronic form.
8. In compliance with provisions of the Companies Act, 2013 the Company is pleased to offer e-voting facility, for all the Shareholders of the Company. For this purpose, the Company had entered into an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their votes electronically.
9. The Company has appointed Mr. K.Mohan, Company Secretary in Practice of JKM Associates, as Scrutinizer for conducting the e-voting process in a transparent manner.
10. Members who did not cast their vote through e-voting during the e-voting period shall be allowed to cast their vote at the AGM through ballot paper. Members who have voted through e-voting cannot vote again through ballot paper at AGM.
11. The Scrutinizer shall, immediately after the conclusion of voting at the Annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him who shall countersign the same. The Chairman or a person authorised by him shall declare the result of the voting forthwith. The results declared along with the Scrutiniser's report shall be placed on the Company's website www.lotteindia.com.

Details regarding e-voting facility:

In compliance with Section 108 of the Companies Act, 2013 and the relevant Rules made there under, the Company is also required to conduct the voting process electronically. The business to be transacted at this general meeting may be transacted through electronic voting system and the Company is providing the facility for voting by electronic means through CDSL.

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The instructions for shareholders voting electronically are as under:

- i) The voting period begins on Saturday, the 10th December, 2016 at 10 A.M and ends on Wednesday, the 14th December, 2016 at 5 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 8th December, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- vii) If you are a first time user follow the steps given below:
- iii) Click on Shareholders.
- iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

	For Members 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"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank details(or) Date of Birth (DOB)	Enter the dividend bank details (or) DOB (in dd/mm/yyyy) format as recorded in your demat account (or) in the company records in order to login. If both the details or not recorded with the depository /company, please enter the member id/folio number in the dividend bank details field as mentioned in the instruction (iv)

After entering these details appropriately, click on "SUBMIT" tab.

Members holding shares in physical form will then directly reach the Company selection screen. However, members 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 to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to

share your password with any other person and take utmost care to keep your password confidential.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on the EVSN for LOTTE INDIA CORPORATION LIMITED on which you choose to vote.

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

Notes (Contd)

as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

After selecting the resolution you have decided to vote on, 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.

Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

If 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.

Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Shareholders who have already voted prior to AGM through e-voting, would not be entitled to vote again at AGM.