



LOTUS CHOCOLATE COMPANY LIMITED

34th ANNUAL REPORT
2022-23

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BOARD OF DIRECTORS

Mr. Krishnakumar Thirumalai (w.e.f. May 24, 2023)

Non-Executive Director

Mr. Ketan Pravinchandra Mody (w.e.f. May 24, 2023)

Non-Executive Director

Mr. Dinesh Taluja (w.e.f. May 24, 2023)

Non-Executive Director

Ms. Renuka Shastry (w.e.f. May 24, 2023)

Non-Executive Director

Prof. Dipak C. Jain (w.e.f. May 24, 2023)

Independent Director

Mr. Krishnan Sudarshan (w.e.f. May 24, 2023)

Independent Director

Mr. Bharathan Rajagopalan Thatai

Independent Director

Mr. Subramanya Ram Ganapath

Executive Director

Mr. Gangasani Sudhakar Reddy (upto May 24, 2023)

Non-Executive Director

Ms. Usha Abbagani (upto May 24, 2023)

Non-Executive Director

Mr. Gottemukkala Venkatapathi Raju (upto May 24, 2023)

Independent Director

Mr. Admala Surya Prakash Reddy (upto May 24, 2023)

Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Vivekanand Narayan Prabhu

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Subodhakanta Sahoo

REGISTERED OFFICE:

8-2-596, 1st Floor, 1B,
Sumedha Estates, Avenue - 4,
Puzzalona Towers, St. No.1. Rd. No.10,
Banjara Hills, Hyderabad - 500 034.
CIN : L15200TG1988PLC009111
Contact No : 97038 99902 / 95533 45552
Email : complaints@lotuschocolate.com
Website : www.lotuschocolate.com

REGISTRAR & SHARE TRANSFER AGENT

CIL SECURITIES LIMITED

214, Raghavaratna Towers, Chiragali Lane, Abids Hyderabad - 500001
Contact No : +91-040-2320 2465 Email : advisors@cilsecurities.com
Website : www.cilsecurities.com

AUDIT COMMITTEE

(Re-constituted w.e.f. May 24, 2023)

Mr. Bharathan Rajagopalan Thatai - *Chairman*

Prof. Dipak C. Jain

Mr. Krishnan Sudarshan

Mr. Dinesh Taluja

NOMINATION & REMUNERATION COMMITTEE

(Re-constituted w.e.f. May 24, 2023)

Mr. Krishnan Sudarshan - *Chairman*

Prof. Dipak C. Jain

Mr. Bharathan Rajagopalan Thatai

Mr. Ketan Mody

STAKEHOLDERS' RELATIONSHIP COMMITTEE

(Re-constituted w.e.f. May 24, 2023)

Mr. Dinesh Taluja - *Chairman*

Mr. G.S. Ram

Mr. Krishnan Sudarshan

Mr. Ketan Mody

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

(Re-constituted w.e.f. May 24, 2023)

Mr. Bharathan Rajagopalan Thatai - *Chairman*

Mr. Krishnan Sudarshan

Mr. Ketan Mody

Mr. Dinesh Taluja

RISK MANAGEMENT COMMITTEE

(Re-constituted w.e.f. May 24, 2023)

Mr. Dinesh Taluja - *Chairman*

Mr. G.S. Ram

Mr. Krishnan Sudarshan

Mr. Ketan Mody

AUDITORS

M/s. VDNR & Associates

Chartered Accountants

SECRETARIAL AUDITOR

Mrs. Rakhi Agarwal

FACTORY

Doultabad, Nastipur Village, Hathnoora Mandal,
Sangareddy District, Telangana- 502296

BANKER

Canara Bank

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the members of Lotus Chocolate Company Limited will be held on Thursday, August 10, 2023 at 11:30 a.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt 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 and, in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** 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, as circulated to the Members, be and are hereby considered and adopted.”

2. To appoint Statutory Auditors of the Company and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof, for the time being in force), Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration No: 117366W/W-100018) be and are hereby appointed as the Statutory Auditors of the Company, for a term of five consecutive years commencing from the conclusion of the 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting of the Company on such terms and remuneration as recommended by the Audit Committee and approved by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

SPECIAL BUSINESS

3. To appoint Mr. Krishnakumar Thirumalai (DIN: 00079047) as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Krishnakumar Thirumalai (DIN: 00079047) who was appointed as an Additional Director in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. To appoint Mr. Ketan Mody (DIN: 07723933) as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ketan Mody (DIN: 07723933) who was appointed as an Additional Director in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To appoint Mr. Dinesh Taluja (DIN: 08144541) as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Dinesh Taluja (DIN: 08144541) who was appointed as an Additional Director in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To appoint Ms. Renuka Shastry (DIN: 02578917) as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Renuka Shastry (DIN: 02578917) who was appointed as an Additional Director in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To appoint Prof. Dipak C. Jain (DIN: 00228513) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 149 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Prof. Dipak C. Jain (DIN: 00228513) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be appointed as an Independent Director, not liable to retire by rotation and to hold office for a term up to May 23, 2028.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To appoint Mr. Krishnan Sudarshan (DIN: 01029826) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 149 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Krishnan Sudarshan (DIN: 01029826) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of

Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be appointed as an Independent Director, not liable to retire by rotation and to hold office for a term up to May 23, 2028.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. To adopt the restated Articles of Association of the Company and in this regard and if thought fit to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Sections 5(5) and Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the restated articles of association be and are hereby approved and adopted as the articles of association of the Company in substitution of and to the entire exclusion of the regulations contained in the existing articles of association of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For LOTUS CHOCOLATE COMPANY LIMITED

Subodhakanta Sahoo
Company Secretary

Place : Hyderabad
Date : July 18, 2023

Registered Office:
8-2-596, 1st Floor, 1B, Sumedha Estates, Avenue-4,
Puzzolana Towers, Street No.1, Road No. 10,
Banjara Hills, Hyderabad, Telangana-500034;
Tel No.: +91 40-2335 2607 / 08 / 09;
Fax No.: +91 40 2335 2610
Email: info@lotuschocolate.com
Website: www.lotuschocolate.com
CIN: L15200TG1988PLC009111

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has, vide its circular dated December 28, 2022, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021 and May 05, 2022 (collectively referred to as “MCA Circulars”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (“the Act”) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The Explanatory statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto. Further, additional information as required under Listing Regulations and Circulars issued thereunder are also annexed.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.
4. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 and 2 of the Notice.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Company has appointed CIL Securities Limited, Registrar and Share Transfer Agent, to provide VC/OAVM facility for the Annual General Meeting and the attendant enablers for conducting of the AGM.

8. In compliance with the MCA Circulars and SEBI Circular dated January 05, 2023 read with SEBI circular dated May 13, 2022, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Registrar and Share Transfer Agent / Depository Participants / Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.lotuschocolate.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
9. In terms of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and as per the requirements of Listing Regulations, the Company is providing the facility to its Members holding shares in physical or dematerialised form as on the cut-off date, i.e. 03rd August 2023, to exercise their right to vote by electronic means on any or all of the agenda items specified in the accompanying Notice of AGM.
10. Members are requested to intimate / update changes, if any, in postal address, e-mail address, mobile number, PAN, nomination, bank details such as name of the bank and branch, bank account number, IFS Code etc., as per instructions set out below:
- For shares held in electronic form: to their Depository Participant and changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and CIL to provide efficient and better service to the Members. NSDL has provided a facility for registration / updation of e-mail address through the link: <https://eservices.nsdl.com/kyc-attributes/#/loginandopt-in/opt-out> and for nomination through the link: <https://eservices.nsdl.com/instademat-kyc-nomination/#/login>
 - For shares held in physical form: Pursuant to SEBI circulars, members are requested to furnish PAN, postal address, e-mail address, mobile number, specimen signature, bank account details and nomination by submitting to CIL the forms given below along with requisite supporting documents:

Sr. No.	Particulars	Form
1.	Registration of PAN, postal address, e-mail address, mobile number, Bank Account Details or changes / updation thereof	ISR -1
2.	Confirmation of Signature of shareholder by the Banker	ISR-2
3.	Registration of Nomination	SH-13
4.	Cancellation or Variation of Nomination	SH-14
5.	Declaration to opt out of Nomination	ISR-3

- Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. Non-Resident Indian members are requested to inform the Company / CIL (if shareholding is in physical mode) / respective Depository Participants (if shareholding is in demat mode), immediately of change in their residential status on return to India for permanent settlement.

Voting through electronic means:

CDSL e-Voting System – For Remote e-voting and e-voting during AGM:

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

- The facility of participation at the AGM through VC/OAVM will be made available to first come first served basis.
- iii) Institutional / Corporate Members (that is, other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to cs@lotuschocolate.com with a copy marked to rta@cilsecurities.com. Such authorisation should contain necessary authority in favour of its authorised representative(s) to attend the AGM.
- iv) The Board of Directors of the Company has appointed Mrs. Rakhi Agarwal, Company Secretary in whole-time practice (Membership No. F7047), as Scrutiniser to scrutinise the remote e-voting and e-voting process in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for the said purpose.
- v) The result along with the Scrutiniser's Report shall also be placed on the website of the Company at www.lotuschocolate.com and CDSL at www.evotingindia.com. The result will simultaneously be communicated to the Stock Exchange viz. BSE Limited. The result will also be displayed at the registered office of the Company. Members may also write to the Company Secretary in case of grievances connected with voting by electronic means at the mail id: cs@lotuschocolate.com.

Instructions for shareholders for remote e-voting are as under:

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.

Type of shareholders	Login Method	Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.		3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select “Register Online for IDeAS “Portal or click at https:// eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp	Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.