



LOTUS CHOCOLATE COMPANY LIMITED

Registered Office: Sumedha Estates, Puzzolana Tower, Avenue - 4, Street No - 1, Road No. 10, Banjara Hills, Hyderabad, Telangana - 500 034; **CIN:** L15200TG1988PLC009111; **Web:** www.lotuschocolate.com;
E-mail: info@lotuschocolate.com; **Tel:** 91-40-2335 2607/08/09, **Fax no:** 91-40-2335 2610,

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014)

To the Members of the Company,

Notice is hereby given that the resolutions set out below are proposed for approval by the Members of Lotus Chocolate Company Limited (**“the Company”**) by means of Postal Ballot, only by remote e-voting process (**“e-voting”**), being provided by the Company to all its Members to cast their votes electronically, pursuant to Section 110 of the Companies Act, 2013 (**“the Act”**), Rule 22 of the Companies (Management and Administration) Rules, 2014 (**“the Rules”**) and other applicable provisions of the Act and the Rules, General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, read with other relevant circulars, including General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (**“MCA Circulars”**), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**), Secretarial Standard on General Meetings (**“SS-2”**) issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Statement pursuant to the provisions of Section 102(1) and other applicable provisions of the Act read with the Rules, setting out all material facts relating to the resolutions mentioned in this Postal Ballot Notice is attached and additional information as required under the Listing Regulations is also attached.

The Board of Directors of the Company has appointed Ms. Rakhi Agarwal, a Practising Company Secretary (Membership No.: F7047), as Scrutinizer for conducting the Postal Ballot, through 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. The Scrutinizer’s decision on the validity of the votes cast in the Postal Ballot shall be final.

The Company has engaged the services of Central Depository Services (India) Limited (**“CDSL”**) as the agency to provide e-voting facility. Members are requested to read the instructions in the Notes in this Postal Ballot Notice to cast their vote electronically. The votes can be cast during the following period:

Commencement of e-voting:	9:00 a.m. (IST) on Thursday, February 29, 2024
End of e-voting:	5:00 p.m. (IST) on Friday, March 29, 2024

The Scrutinizer will submit her report, after the completion of scrutiny, to the Chairman or any person authorized by him. The results of e-voting will be announced on or before Tuesday, April 02, 2024 and will be displayed on the Company’s website at www.lotuschocolate.com and the website of CDSL at www.evotingindia.com. The results will simultaneously be communicated to the Stock Exchange i.e. BSE Limited and will also be displayed at the Registered Office of the Company.



SPECIAL BUSINESS

1. Appointment of Mr. Asim Bhupatrai Parekh (DIN: 00056125) as a Non-Executive Director of the Company

To consider and pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications 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. Asim Bhupatrai Parekh (DIN: 00056125) who was appointed as an Additional Director (Non-Executive) 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 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.”

2. Increase in borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013

To consider and pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company through postal ballot on March 28, 2015 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 made there under (including any statutory modification(s) or re-enactments thereof for the time being in force) and the Articles of Association of the Company, the 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 any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to borrow any sum(s) of money(ies) at its discretion, for the purpose of the business of the Company, either from Bank(s) whether Indian or Foreign, Financial Institution(s) or any other lending institution(s)/agency(ies)/any other person(s), from time to time, including by way of issuance of debentures whether secured, unsecured, convertible, non-convertible etc. which, together with the money(ies) already borrowed by the Company and remaining outstanding (apart from temporary loans obtained or to be obtained from the Company’s Bankers in the ordinary course of business) may exceed, at any point of time, the aggregate of the paid-up share capital, free reserves and securities premium, provided that total amount so borrowed and outstanding at any point of time shall not exceed the sum of Rs. 60,00,00,000/- (Rupees Sixty Crores only);

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required to give effect to this resolution including fixing the terms and conditions of all such money(ies) to be borrowed from time to time as to interest, repayment, security or otherwise, finalizing and executing necessary



agreement(s) and such other documents as may be required, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer/ executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

3. Creation of mortgage, charge, hypothecation etc. on the assets, properties or undertaking(s) of the Company under Section 180(1)(a) of the Companies Act, 2013

To consider and pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company through postal ballot on March 28, 2015 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 made thereunder, applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force) and the Articles of Association of the Company, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee which the Board may constitute to exercise its powers including the powers conferred by this resolution) to create mortgage, hypothecation and/or charge etc., on all or any moveable/ immoveable properties or other assets of the Company wherever situated, both present and future, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, comprising the whole or substantially the whole of the undertaking(s) of the Company, in favour of the Lender(s), Agent(s), Trustee(s) or any other person(s), for securing the borrowings of the Company by way of loan(s)/financing facility(ies)/credit facility(ies) etc. and securities (comprising of fully/ partly convertible debentures and/ or non-convertible debentures and/or other debt instruments), issued/to be issued by the Company, from time to time, including the amount of interest and other charges, costs and expenses payable in respect of such borrowings, subject to the limits as approved by the members of the Company under Section 180(1)(c) of the Companies Act, 2013;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required to give effect to this resolution including finalizing and executing necessary documents/ deeds/ writings/ papers/ agreements as may be required, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer/ executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard.”



By Order of the Board of Directors

Utsav Saini
Company Secretary and Compliance Officer

Mumbai, February 26, 2024

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
CIN: L15200TG1988PLC009111
Tel No: +91 40-2335 2607 / 08 / 09
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Email: cs@lotuschocolate.com
Website: www.lotuschocolate.com

Notes:

1. A Statement, pursuant to the provisions of Section 102(1) and other applicable provisions of the Act read with the Rules, setting out all material facts relating to the resolutions mentioned in this Postal Ballot Notice and additional information as required under the Listing Regulations is attached.
2. In compliance with the MCA Circulars, this Postal Ballot Notice is being sent only by electronic mode to those Members whose names appear on the Register of Members / List of Beneficial Owners as on Friday, February 23, 2024 ("**Cut-Off Date**") received from the Depositories and whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Physical copies of the Postal Ballot Notice along with postal ballot forms and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot.
3. This Postal Ballot Notice will also be available on the Company's website at www.lotuschocolate.com, website of the Stock Exchange, i.e. BSE Limited at www.bseindia.com and on the website of Central Depository Services (India) Limited ("CDSL") at www.evotingindia.com.
4. In accordance with the MCA Circulars, the Company has made necessary arrangements for the Members to register their e-mail address. Members who have not registered their e-mail address are requested to register the same (i) with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form, and (ii) Members holding shares in physical mode, who have not registered / updated their e-mail address with the Company, are requested to register / update their e-mail address by submitting Form ISR-1 (available on the website of the Company at www.lotuschocolate.com) duly filled and signed along with requisite supporting documents to CIL Securities Limited, the Registrar and Share Transfer Agent of the Company at 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500001, Telangana.
5. Only a person, whose name is recorded in the Register of Members / Register of Beneficial Owners, as on the Cut-Off Date, maintained by the Depositories shall be entitled to participate in the e-voting. A person who is not a Member as on the Cut-Off Date, should treat this Postal Ballot Notice for information purpose only.



- 6. Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his / her / its shareholding in the paid-up equity share capital of the Company as on the Cut-Off Date.**
7. Pursuant to Section 108, 110 and other applicable provisions of the Act and the Rules made thereunder, the MCA Circulars and Regulation 44 of the Listing Regulations read with Section VI-C of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, as amended ("**SEBI Master Circular**"), and SS-2 and any amendments thereto, the Company is providing the facility to the Members to exercise their right to vote on the proposed resolutions electronically. The Company has engaged the services of CDSL as the agency to provide e-voting facility. The instructions for e-voting are provided as part of this Postal Ballot Notice, which the Members are requested to read carefully before casting their vote.
- 8. The e-voting period commences at 9:00 a.m. (IST) on Thursday, February 29, 2024 and ends at 5:00 p.m. (IST) on Friday, March 29, 2024.**

The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by CDSL upon expiry of the aforesaid period.

9. The resolutions, if approved, shall be deemed to have been passed on the last date of e-voting i.e. Friday, March 29, 2024.
10. All documents referred to in this Postal Ballot Notice will be available for inspection electronically without any fees from the date of circulation of this Postal Ballot Notice until the last date of e-voting. Members seeking to inspect such documents can send an e-mail to cs@lotuschocolate.com.

11. PROCEDURE FOR E-VOTING

Instructions for shareholders for e-voting are as under:

The e-voting facility will be available during the following voting period:

Commencement of remote e-voting	9:00 a.m. (IST) on Thursday, February 29, 2024
End of remote e-voting	5:00 p.m. (IST) on Friday, March 29, 2024

During this period, shareholders of the Company holding shares either in physical form or dematerialized form, as on the cut-off date of Friday, February 23, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- Step 1:** Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode.
- Step 2:** Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on Thursday, February 29, 2024 at 09:00 a.m. (IST) and ends on Friday, March 29, 2024 at 05:00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, February 23, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) Pursuant to Section VI-C of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholder’s resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode.

- (iii) In terms of SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 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.
- (iv) Pursuant to abovesaid SEBI Circular, Login method for e-voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL Depository	1) Users who have opted for CDSL 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 users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers’ website directly.



	<p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on 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 able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<p>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.nsd.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 ‘Lotus Chocolate Company Limited’ or e-voting service provider’s name-CDSL and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL https://www.evoting.nsd.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 held 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 ‘Lotus Chocolate Company Limited’ or e-voting service provider’s name-CDSL and you will be redirected to e-voting service provider’s website for casting your vote during the remote e-voting period.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository</p>	<p>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</p>



Participants (DP)	you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.
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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 website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-voting for **Physical shareholders and shareholders other than individual holding in demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number allotted by the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For shareholders holding shares in physical form and other than individual shareholders holding shares in demat form
PAN	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the



	sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none">• 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.• 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.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) 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 to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided such 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN <Lotus Chocolate Company Limited>.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, if 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**



- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@lotuschocolate.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders- please provide necessary details like Folio No., Name of 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) by email to RTA at rta@cilsecurities.com.
2. For Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory for e-voting.

In case you have any queries or issues regarding attending E-voting, you may refer the Frequently Asked Questions (FAQs) and the E-voting manual available at www.evotingindia.com, under help section or contact Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or write an e-mail to helpdesk.evoting@cDSLindia.com or call on toll free no.1800 22 55 33.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 AND ADDITIONAL INFORMATION AS REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The following statement sets out all the material facts relating to the Special Businesses mentioned in the Postal Ballot Notice:

**Item No. 1**

Based on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") read with the Articles of Association of the Company, the Board of Directors of the Company at its meeting held on January 02, 2024, approved the appointment of Mr. Asim Bhupatrai Parekh (DIN: 00056125) as an Additional Director, designated as Non-Executive Director of the Company with effect from January 03, 2024, liable to retire by rotation, subject to approval of members.

Mr. Asim Bhupatrai Parekh is qualified to be appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declaration from Mr. Asim Bhupatrai Parekh confirming that he is not debarred from holding the office of director by virtue of any order from the Securities and Exchange Board of India ("SEBI") or any such authority.

The Company has also received a notice under Section 160 of the Act from a member proposing the candidature of Mr. Asim Bhupatrai Parekh for the office of Non-Executive Director of the Company.

Details of Mr. Asim Bhupatrai Parekh, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, are provided in the "Annexure" to the Notice.

In accordance with the provisions of Section 152 of the Act and applicable provisions of the Listing Regulations, appointment of a director requires approval of members of the company by way of an ordinary resolution.

Accordingly, the approval of Members is sought for appointment of Mr. Asim Bhupatrai Parekh as Non-Executive Director of the Company.

Mr. Asim Bhupatrai Parekh is interested in the resolution set out at Item No.1 of the Postal Ballot Notice with regard to his appointment. Relatives of Mr. Asim Bhupatrai Parekh may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Asim Bhupatrai Parekh on the Board of the Company and accordingly the Board commends the Ordinary Resolution set out at Item No. 1 of the Postal Ballot Notice for approval by the Members.

Item Nos. 2 & 3

The members of the Company through special resolutions passed way of postal ballot on March 28, 2015 had authorised Board of Directors of the Company to borrow funds up to an amount not exceeding Rs. 25 Crore and to provide security(ies) in connection with the borrowings of the Company, in terms of Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013 ("Act") respectively.



The Board of Directors, at its meeting held on January 16, 2024, had approved to increase in aforesaid limits considering the business requirements of the Company, subject to approval of members of the Company.

In accordance with the provisions of Sections 180(1)(c) and 180(1)(a) of the Act read with the Rules framed thereunder and the provisions of Listing Regulations as amended, the aforesaid proposals for increasing the borrowing powers and creating mortgage / charge on the properties of the Company in favour of the lenders etc. require approval of the Members of the Company by way of special resolutions.

Accordingly, approval of the members is sought to increase the borrowing limit and authorize the Board to borrow money(ies) up to an amount not exceeding Rs. 60 Crore outstanding at any point of time and also authorize the Board to create charge/mortgage on all or any of the assets or properties of the Company as may be required in connection with the borrowings by the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolutions set out at Item Nos. 2 & 3 of the Postal Ballot Notice.

The above proposals are in the interest of the Company and accordingly, the Board commends the Special Resolutions set out at Item Nos. 2 & 3 of the Postal Ballot Notice for approval by the Members.

By Order of the Board of Directors

Utsav Saini
Company Secretary and Compliance Officer

Mumbai, February 26, 2024

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

Annexure to the Postal Ballot Notice

Mr. Asim Bhupatrai Parekh	
Age	59 years
Qualifications	B. Tech from IIT-Kharagpur and Post Graduate Degree from ISB Hyderabad



Experience (including expertise in specific functional area) / Brief Resume	In his last role, Mr. Asim Parekh was heading the manufacturing & supply chain at Reliance Consumer Products Limited and brings with him 36 years of experience across the FMCG industry. He has experience in developing and executing a supply chain strategy, overseeing physical asset operations including manufacturing/production, inventory, operational compliance and also strategic procurement and value chain optimization.
Terms and Conditions of Appointment	As per the resolution set out at Item No. 1 of the Postal Ballot Notice read with statement pursuant to Section 102 of the Act.
Remuneration last drawn (including sitting fees, if any) (in Rs.)	Nil
Remuneration proposed to be paid (in Rs.)	No remuneration is proposed to be paid to Mr. Asim Bhupatrai Parekh
Date of first Appointment on the Board	January 03, 2024
Shareholding in the Company including shareholding as a beneficial owner as on date of Postal Ballot Notice	Nil
Relationship with other Directors / Key Managerial Personnel	Mr. Asim Parekh is not related to any Director / Key Managerial Personnel of the Company
Number of meetings of the Board attended during the financial year 2023-24	1 out of 1 meeting held since his appointment as Additional Director
Directorships of other Boards as on date of Postal Ballot Notice	Nil
Membership / Chairmanship of Committees of other Boards as on date of Postal Ballot Notice	Nil
Listed entities from which the Director has resigned in the past three years	Nil

By Order of the Board of Directors

Utsav Saini
Company Secretary and Compliance Officer

Mumbai, February 26, 2024

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