



Transcript of EGM as held on 20th of December, 2023

Jyothi Gulecha: Very good morning to all of you!

Myself, Jyothi Gulecha Company Secretary of Kerala Ayurveda Limited. Welcome you all to this Extraordinary General meeting which is being held through video conferencing in accordance with the circulars issued by Ministry of Corporate Affairs, and SEBI.

The registered office of the company, Aluva, Kerala shall be the Deemed venue for this EGM.

Mr. Ramesh Vangal, chairman of the company, is present, and would preside as chairman over this EGM.

All other members of the Board are present in this meeting, including Mr. Subramanian Krishnamurthy, chairman of the Audit Committee and Nomination and Remuneration Committee, Mr. Anand Subramanian chairman of Stakeholders Relationship Committee, Mrs. Shilpa Kiran, Independent director.

Mr. Harish K Menon has been granted leave of absence.

Our Statutory Auditors, Maharaj Rajan and Mathew, Mr. Vincent (SVJS Associates) - our Secretarial auditors, Mr. Biju, George -our Internal Auditors, and also our scrutinizers BMP and Co., LLP have joined us and all our other attendees, including our newly appointed CEO, Mr. Vivek Sunder.

Now I'll take through certain points regarding the participation and voting at this meeting:

- All the members who have joined this meeting are by default, placed on mute, to avoid any disturbance from background, noise, and ensure smooth and seamless conduct of the meeting.
- Members who have not voted through remote e-voting can cast their vote through e-voting facilities during the EGM. And 15 minutes post the conclusion of the agenda.

As the no. of members present being more than 30 with the consent of chairman, I declare the meeting to be in order.

Since the Notice and resolution proposed, along with explanatory statements were already circulated in advance to all the members, to their registered email ID. It is taken them as read.

In line with the provision of clause 7.1 of Secretarial Standard-2 on General Meetings, proposing and seconding of the resolution is not required as remote e-voting was commenced before the commencement of the meeting.

Jyoti Gulecha: Now, with the permission of the Chairman, I will proceed with the business agenda items as set out in the Notice convening the EGM for consideration and approval of the members.

Ramesh Vangal: So can we start Jyoti?

Jyoti Gulecha: Yes, sir, we can go ahead with the agenda items.

Ramesh Vangal: what I'd like to do up front is to lay the stage, for where we are. As a company and the importance of this meeting is a milestone to go forward. Tiktok Rivera is an old company, However, it is basically representing the finest tradition of Kerala.

The Ayurveda tradition of Kerala which we typically are trying to follow. But in terms of understanding, the Kerala tradition of ayurveda which we exemplify is a lot more therapeutic and cure based. Yes, it's preventive. Yes, it is cosmetic. Yes, it is rejuvenated, but it's also cure it. We did not want to lose this particular uniqueness, which is typical of the Kerala tradition. And we are privileged because the Kerala tradition of Ayurveda is in our brand name. Our name is Kerala Eureka. As a consequence, when we are trying to build this out. We needed to make sure that we had the right elements. Today, As a company, we have invested a great deal. It hasn't shown much in terms of the top line, but we had the foundation. What are the foundations? We have the right products.

I probably got the highest selection of proprietary eyed weather products, not classico. Yes, we have classic, and a classical is well produced, but we have the finest products. We have at least a hundred 100 150 products in other areas which we have not yet launched. And these products have been researched. They are based on ancient Ayurveda, but they also are workable. That is, one.

Ramesh Vangal: 2. We have got elements. Can we come to this later, jyoti a bit later.

Ramesh Vangal: We just talk first with the the second aspect of the business that we've got is we have got a great deal of knowledge with regard to how to teach. Your data.

Our college in the US. Our Academy in the US. Is the largest vocational Education college outside of India.

Ramesh Vangal: And it's be Amos. We have trained over 3,000 graduates. These graduates in many States can practice in about 45%. Of the United States they are allowed to practice. That's the second part. We also have one of the finest expositions. of the services business.

The Ayurveda Gram is considered one of the best medical. Are your verdict treatment available anywhere in the country? We have got awards from India today. Vicki. Assocham, Dun and Brad Street and other places.

So today, when we are embarking along an understanding, it is because we want to take it to the next level.

That's why I wanted to set the stage. So, we have got a couple of things on our agenda that we are going to walk you through. But I wanted to lay this across over to you, Jyothi.

Jyoti Gulecha: Sure, thank you, sir.

Now I'll be reading out the resolutions proposed as in the Notice for the approval of members.

The first item of agenda being

1. To increase the Authorize share capital of the company, and consequent amendment to the Memorandum of Association of the company.

As we are raising the further funds, we need to increase the authorization of the company, which is currently being 12 crores to 15 crores.

2. The second item being to offer issue and allotment shares of the company to investors on preferential basis.

S. Krishnamurthy: Okay.

3. Third, and the item being to approve for Kerala Ayurveda, Employee restricted stock unit Plan 2023 of the company for issuance to the employees of the company.

Jyoti Gulecha: So for the for these 3 items we need the approval of members

over to you RV Sir, If you have any views to express, or implications if you want to explain?

Ramesh Vangal: So, as I was saying, we are actually got all the research capability. We have our first US Patent. We have an Ayurvedagram in Bali, and we have momenta. But what did we require? We required a world class chief executive with an ability to implement a comprehensive digitization of a company while we go abroad in the US.

Where we have a base. But we need to expand dramatically, but also into Europe and other places. So by raising around 21.8 crores and providing 6% of the company's stock as a long-term reservoir of money by stock by which we can attract the best talent to be able to grow both internal talent and external talent and we did not want to hire just another sheep executive who will come and go. After a few years we wanted to find somebody who had a deep-seated conviction.

And in that context I would like to pass this on to Soon. There has been about 2 and a half months in the company. He started in October and he has spent a lot of time in India, and also been recently to the US.

He is the former commercial head of Procter and Gamble, India. He ran a substantial amount of global procter and gamble business before coming inside, as chief operating officer of Swiggy, and building up from 5 cities to towns and cities. and after that he was the chief executive of Q-mac. So I think he combines the absolute best of marketing sales in the traditional area, Procter and gamble, but also digital. And he has one important other quality.

He has a deep conviction on a you'd better because we have been talking together for almost 5 years over to you, Vivek, and please explain the first 2 and a half months in the company and what you have made out of this.

Vivek Sunder: Thank you for your fine introduction. so apologies. If my voice is a bit on and off. I'm just recovering from a cold so I will try to keep it short. But try to bring to life what I've learned in the last 2 and a half which is nothing short of incredible. So I want to cover it in 3 areas.

One is in the area of competitive advantage. And obviously, you know, if you're trained from the in the, in the best principles of a P&G, or even in a swiggy, you have to focus on competitive advantages because long term businesses are built. When you have something substantial to offer, you can for a temporary basis. Discount your way to glory, or, you know, do a lot of advertising, but eventually it sort of wears off. If you don't have something substantial to offer. and one of the things that I have experienced by speaking to folks. both in R&D. Within the company, as well as to external research that I have actually read is how good are products and services are.

Let me give you an example. The best-selling Ashwaganda product in the Us. We actually sat together and analyzed. We are selling it at the same price today in the US. As the best seller, but we are 4 times stronger because of the way in which we have formulated our Ashwaganda capsule.

Vivek Sunder: Talk to the American consumer about the fact that we are 4 times better. And so, while I'm obviously very proud of what the team has achieved, well, before I joined in terms of creating an absolute winner product in that little capsule called the Absolute on the capsule. The other side of me is also laughing and saying, Why would you sell 4 times better product at parity price in a relatively price and sensitive market like the Us. And therein lies the opportunity. And I don't mean just in the pricing land. But I don't think that commercialization of this amazing opportunity is something that I have observed so on the positives are that we've got truly amongst the most.

We. We have a secret sauce that 99.9% of companies that I have observed don't. And I think that's a huge advantage, because that stuff you can't use money to buy. It's it takes time. It takes effort. It takes all of the

Experiences that we have. Only yesterday I was speaking to a investor who was interested in us and and I was explaining to him that look are raw material procurement and quality control that we have in Athani. It may look very modest if you go visit it, but they maintain some of the higher standards to the extent that we actually Pass, prop 65, which is a ridiculous standard.

That most American companies don't meet. And this is something which is very interesting. I don't know if you knew that that most of the largest Iraq selling companies only give what is called the prop 65 disclaimer, which is that State of California, expects us to have from 65 norms, and therefore you know, be aware of the fact that some ivy products may have heavy metal contamination. So they give a disclaimer.

In our case we actually comply. So we actually have a product that is compliant with the prop 65 OS. Now, again, the same story, which is, we have such high-quality production and high-quality produce. But we don't take. We don't go to town about it where there is not one piece of mainstream marketing that we have done in the Us. To say we are prop, 65 compliant. We are based in the California. We sell all over America, and we are prop, 65, compliant. So positives are that we've got great products and services. The so-called opportunity or negatives are that we haven't taken them to town. And honestly, if you look at it as a negative, of course we're gonna feel bad about it. But if you look at it as a positive, which is how I am looking at it. It's the single largest opportunity that exists right now is to take a brand they already made in India and made in part of India, which is unpolluted from many things, which is Kerala from an ivory point of view, and take it to the world, and I don't think that this is a stupendous opportunity. It's something which I don't think the world has seen yet. And maybe the the fact that we haven't achieved the potential that we have had for these years is part of the reason why they haven't seen it yet, because we've probably spoken about it, but we haven't brought it to life, but I'm convinced, especially after my visit. I'm still sort of jetlag from my us visit. I came back only a couple of days ago is truly an opportunity, not just in the Us. But also the rest of the discerning world. And let me also tell you about the kind of people that we've produced. I met many of our alumni in the Us. These are people who have studied the program, the \$40,000 flagship program that we offer on something called which is the equivalent of be BAMS in the US.

Vivek Sunder: These people I met, and some of them, by the way, were coming for their annual trip to Kerala to sort of, you know, to the Health village in other such places, but they were of the view that we have absolutely the best Ayurdic training program in the US Both, by virtue of the content of what we teach but also the how we teach, and I don't think that in that sense, what Dr. Jay and team have accomplished over the last decade is truly something for to for us to be proud of. Now, if you ask a question, saying, Hang on with all of this amazing stuff.

How come you Only trained? I say. Only how come you've only trained 3,000 people. It's simply because we haven't given it the kind of resources that we need to. I think there is a need to have our Ivy Training Institute, the Academy, as we call it, at least 5 states of the country. There is so much demand for Academy that at least 5 States are willing to host us to be able to offer both the Academy as well as the Wellness Center, which is the equivalent of the health village of the Ira, the ground that we have. So I think I I'm only come back to say that.

Look, if we are able to do this fundraise and deploy it to the mission critical. Few things that we need to do to start with the reality is that in 4 to 6 months, when we take some of these, this money and these investments and put it on the right areas, operations, digital marketing Us and talent and that's what the document captures. I do think we'll be able to have a much wider set of people, not just see the potential on a Powerpoint slide, but actually see green shoots of those in action, both in India as well as abroad.

Sorry? So that's basically it. Ramesh wanted me to focus on. I mean, obviously, I will. I think I have a bad cold, so I believe lot of people in India have it. I think that's very good. I'd like to just close off, saying that.

Ramesh Vangal: you will hear a lot more from us over the some next months. I think we post this preferential allotment of 21.8 3, and we have got 6% of Esau.

We will need to do some hard work, and Vivek and his team will start building things out. and then we see exciting future for both our shareholders and for our investors. Because we expect to see, and our stakeholders, our employees. who have been with us for a long time, we will have gratitude towards them and at the same time we will create new people who have great commitment. So over to you. Jyoti.

Jyoti Gulecha: Yes. So with this, we can say, there's lot more to come. This is just the start. Our stakeholders members can expect a lot more growth in our company.

So with this, as we have come to the end of the meeting now, the members who have registered themselves as speakers will be given opportunity to speak and raise their queries. If any.

As we have received request from 7 members as speakers for this EGM. To present their views. The speakers are requested to keep their place well lit, noise free and speak louder through their devices, and also requested to restrict their speech to minimum 2 min for the benefit of all.

To avoid repetition, the chairman on board will respond to all the queries in one go, if required.

Now, with the permission of chair, I would request the Moderator to allow the Speaker, one by one, to speak or express their views.

The first member is Mr. Rishi kesh Chopra HUF!

Jyoti Gulecha: Is he with us.

Kerala Ayurveda: No, I don't see the name.

Jyoti Gulecha: Okay, we'll go to the next

Jyoti Gulecha: person in the list, Mr. Santosh Kumar Saraf.

Santosh Kr. Saraf: Hello, Hello.

Ramesh Vangal: Han Ji.

Santosh Kr. Saraf: Namaste to Ramesh Vangal Saab, Vivek Saab and Jyothi Gulecha Madam. I express my deep gratitude to the Management and specially Company Secretary, Jyothi Gulecha Madam.

When I wrote mail to be a speaker in EGM, i got the reply and confirmation from CS Jyothi Madam immediately. I'm grate and thankful for the wonderful service.

I just want to know more about the Employee Stock Option given to employees, at what price it shall be given.

Ramesh Vangal: price is yet to be fixed, would be fixed after few years.

Gradually, maybe over the next 5-10 years, we would release after the number of years we will release the stock market hopefully, the price of each share will be higher than before and we will have an opportunity to be able to get more value from the stock from the stock options.

Ramesh Vangal: Accha. The next, please.

Jyoti Gulecha: Yeah.

Jyoti Gulecha: Mr. Dinesh G Bhatia.

Dinesh Bhatia: Hello! Am I audible, sir.

Please provide access to directly join the VC Meeting, one link to directly join the meeting.

Ramesh Vangal: So, and then we will take this forward, Vivek, would you like to? Contribute?

Vivek Sunder: Thank you, Mr. Dinesh. But to admin those are services. Start calling it facility.

Jyoti Gulecha: Thank you. Thank you. The next person is Mr. J. Abhishek.

Jyoti Gulecha: Is he with us.

Abhishek.J: Can you hear me, sir? I'm available, sir.

Abhishek.J: the camera is not enabled, so the moderator has to enable the camera.

Ramesh Vangal: And he will do so.

Abhishek.J: Most of my questions have been already clarified in your reply given to the previous shareholders, and just one question regarding pertaining to the resolution. Number 2, the preferential share. Allotees, do we have any lock in period for the preferential Allotees, that they cannot sell the shares for the specific period of time. If you can enlighten that into the investment opportunities, and nothing much to ask.

Abhishek.J: I wish the company and the Board of Directors a great success and prosperity in the coming future and thank you for giving the opportunity.

Jyoti Gulecha: 6 months.

Pramod: 6 months.

Ramesh Vangal: 6 months lock in, is there? Abhishek? Okay.

next question, please.

Jyoti Gulecha: That's all with Mr. Abhishek. Is he done?

Jyoti Gulecha: Okay? Okay. The next person is Mr. P. Jaichand.

Jyoti Gulecha: Please enable him also, please enable the video.

Ramesh Vangal: Mr. Jaichand.

Gokul Patnaik: He's connecting, please.

Manisundaram A V: Hello.

Manisundaram A V: Yes, Mr. Mani Sandaram we can hear you.

Manisundaram A V: very happy to start on the meeting.

Ramesh Vangal: Hello.

Jyoti Gulecha: please please go ahead. Mr. Mani Sundaram.

Jyoti Gulecha: I think there's some network issue.

Manisundaram A V: Please sign up with that.

Ramesh Vangal: He has dropped off.

Ramesh Vangal: Okay, then the next one

Jyoti Gulecha: next is Mr. P. Gopal

Kerala Ayurveda: profile. I don't see the name.

Jyoti Gulecha: Yeah, I don't see. Also, okay, we'll check once more is he with us?

Ramesh Vangal: Nope.

Jyoti Gulecha: no, okay.

Jyoti Gulecha: okay So let's continue. Let's close the questionnaire and move on, please. Yeah, thank you, RV Sir. Thank you, Mr. Vivek Sunder.

The process of e-voting shall continue for next 15 min for those who have not cast their votes. The meeting shall stand concluded at the end of 15 mins.

BMP And Co. LLP, Are appointed as scrutinizers for conducting e-voting process in a fair and transparent manner, and to give report thereon in the prescribed manner. The results shall be declared. After receiving the report from the scrutinizers, the combined results for remote evoting and evoting. During this Egm. Will be placed on the website of the company. The results will also be submitted to the Stock Exchange as per the relevant provisions of the company's act and the resting regulation.

Now that we have come to the end of the meeting, I would like to convey Hearty, thanks to our chairman, Mr. Ramesh Vangal, Our CEO, Mr. Vivek, Sunder, and all our board members, all our auditors and scrutinizers, and especially our PCS Mr. Pramod.

I would like to thank the entire secretarial department and IT team for their tireless effort behind the screen for the smooth conduct of this EGM. And express my deep gratitude to all the members for their co-operation.

Jyoti Gulecha: Thank you to all the members. Now, with the permission of the chairman, I would like to declare the formal closure of this EGM,

Jyoti Gulecha: The meeting stands concluded, thank you very much.

Stay Healthy, Stay Safe.

Anand Subramanian: Thank you.

Rajesh Sharma: Thank you.

Jyoti Gulecha: Thank you.