

THE UNITED NILGIRI TEA ESTATES COMPANY LIMITED

MINUTES OF THE 93RD ANNUAL GENERAL MEETING OF THE MEMBERS OF THE UNITED NILGIRI TEA ESTATES COMPANY LIMITED HELD AT "SRI S.ANANTHARAMAKRISHNAN HALL", 8/23-24, RACE COURSE, COIMBATORE - 641018, ON TUESDAY, THE 4TH AUGUST 2015, AT 2.30 P.M.

Ms. Mallika Srinivasan Chairman took the chair.

Mr.N.Srinivasan, Mr.Sankar Datta, Mr.R.Subramaniam, Mr.Krishna Srinivasan and Mr.K.V.Sriram, Non-Whole-time Directors Mr.D.Hegde and Mr.T.G.B.Pinto, Whole-time Directors and 353 members in person representing 27,56,014. equity shares and 24 members representing 18,383 equity shares by proxy were present.

The following Companies were represented –

M/s. Tractors and Farm Equipment Ltd. Represented by Ms.Mallika Srinivasan.

M/s. T.Stanes & Co.Ltd represented by Mrs.Lakshmi Narayanan.

M/s. Southern Tree Farms Limited represented by Ms. Mallika Srinivasan.

The Chairman recalled the yeoman services of the late President Dr. A.P.J.Abdul Kalam and requested all the members present to observe a minute's silence as a mark of respect to the departed soul.

The requisite quorum being present, the Chairman called the meeting to order and welcomed the shareholders.

With permission of the members present, the notice convening the meeting and the Auditors' Report were taken as read.

Ms.Mallika Srinivasan, Chairman addressed the meeting and commented on the year's results and Company's operations as follows:



"Good afternoon Dear Shareholders, Ladies and Gentlemen,

I welcome you all to this 93rd Annual General Meeting of your Company.

The world tea production during 2014 was higher at 5,026 million kg as against 4,995 million kg in 2013. India the second largest tea producing country in the world, produced 1207 million kg in 2014. North India's contribution was at 965 million kg and that of South India was at 242 million kg.

India's tea exports during 2014 were lower at 201.2 million kg as against 219.1 million kg in 2013. The export of North India was 116.3 million kg and that of South India was 84.9 million kg.

The Government of India recently approved substantial outlay for the 12th Plan ending 2016-17 to boost output involving replantation and rejuvenation, mechanization, organic tea production, quality upgradation, product diversification, market development and Research and Development. The industry should make full use of this outlay and achieve results in the best possible manner.

The subsidy for orthodox tea production has been extended upto 31st December 2016; however there is long delay in the payment of the subsidy; an early settlement of the subsidy by the Central Government is called for.

Incidentally to ensure quality for competing with other countries the Tea Board has brought out a Plant Protection Code from 1st January 2015. The purpose of this code is to eliminate the usage of harmful pesticides and insecticides in cultivation. This is a welcome step. This code has no application in the growth of organic tea and a larger percentage of the Company's tea gardens are under organic tea cultivation.

The total tea manufactured by your Company during the financial year 2014-15 was higher at 2.74 million kg as against 2.70 million kg during the previous financial year. The total quantity of tea exported during the year was also higher at 1.62 million kg as against 1.58 million kg last year. The export contributed 64% of the turnover during the year under report which is Rs.292 million out of Rs.457 million turnover.

The performance of your Company during 2014-15 was more supported by improved product mix of tea and rental income from commercial building.



The rainfall in the early part of this year has been conducive and crop wise currently the situation is better than last year. We expect yet another satisfactory year of performance subject to harvesting better crop with favourable climatic conditions, further supported by better price line for the rest of the year.

The cost of production continues its uptrend as in the past, due to increase in cost of labour, inputs and transport; the availability of labour is also yet another factor affecting the plantation industry. Your Company has been implementing mechanization wherever feasible in the field and in the factories.

While the cost of production is increasing, the price realization is on the declining trend due to severe competition in the export market. Kenya, hitherto producing mainly CTC tea has started producing more orthodox tea and offering it at much cheaper price and its impact is reflected in the Indian market.

Your Company has been focusing on increased production of Organic Black and Green tea besides White tea which would improve the realization and margin. Your Company is introducing varieties of valued added teas, herbal infusions, flavoured and wellness teas mainly to target the younger generation.

Your Company is concentrating on sustainable farming and assisting small tea growers, tribal people, workers and their families to fulfill their ambitions and contributes to safeguarding the earth's natural resources. Most of the organic inputs are being generated within the tea garden.

Your Company has set up a rainwater harvesting project in Chamraj labour lines and the water is used for kitchen garden and washing purposes. This will be implemented in a phased manner in other divisions too.

I am glad to inform you that Chamraj and Korakundah teas have won three awards for Chamraj Orthodox Whole Leaf, Green Tea-Fannings and Organic Orthodox Whole Leaf at this year's Golden Leaf India Awards –Southern Tea Competition 2015.

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Few of the CSR projects undertaken by the Company are : running of a well established school, running of a well established hospital, running an orphanage besides environmental projects.

Sivasailam Chamraj Higher Secondary School, which also includes students not related to the estate employees, has recorded 99% result both in English and vernacular in the 10th Standard and 98 % result in the 12th Standard during the academic year 2014-15.

The Chamraj Garden Hospital has treated nearly 10,292 out- patients and 1499 in-patients totaling to 11,791 patients during the last financial year. The facilities for dental , ophthalmology and diabetics offered by your Company is well used by the public around the estate area .

The Company works closely with the United Nilgiris Conservation Society (UNCS) towards development of villages and conservation of natural resources in the Nilgiri district. A mega health care camp for tribals was conducted jointly with the District Administration in February 2015.

Your Company has earned a Net Profit before taxation of Rs.11.25cr for the financial year 2014-15 as against Rs.10.06 cr in 2013-14.

Your Directors have recommended a final dividend of 17% for the year ended 31st March 2015 in addition to 10% Interim Dividend already paid making the total dividend at 27% for the year.

The shares of your Company are now listed in National Stock Exchange Limited effective from 28th January 2015.

I would like to thank my colleagues on the Board for their guidance and also the officers, staff and workers of the Company for their continued efforts during the year. Most of the shareholders have been with the Company for several years which is very encouraging and I thank you for your continued support and faith in the Company”.

Transactions of Business :

The Chairman informed the members that the following business were proposed to be conducted at the Annual General Meeting:

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1. To adopt the Directors' Report, Statement of Profit and Loss for the year ended 31st March 2015 and the Balance Sheet as on that date and the Auditors' Report thereon.
2. To declare a Final Dividend for the year ended 31st March 2015.
3. To appoint a Director in place of Ms. Mallika Srinivasan, Director who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. N.Srinivasan, Director who retires by rotation and is eligible for re-appointment.
5. To appoint Statutory Auditors and fix their remuneration.

The Chairman announced that those shareholders who have not cast their vote through E Voting or Ballot by Post may cast their vote physically by using the ballot paper kept at the venue and a Ballot box was kept for this purpose in the dais.

The Chairman invited queries/clarifications, if any, on the Annual Report and Accounts from the shareholders and provided the clarifications sought by two members. There was a general request for bonus shares and increased dividend which were suitably answered.

The Chairman also announced that M/s KSR & Co., Company Secretaries LLP, Coimbatore, the scrutinizers of the E Voting and Ballot by Post is authorized to count the physical votes at the AGM venue and the scrutinizers would forward the combined report of the voting (E Voting, Ballot by Post and Physical vote) to the Chairman of the meeting and would be posted in the Company's website besides intimating the National Stock Exchange of India Limited, where the Company's shares are listed.

The Chairman thanked all the shareholders present at the meeting and declared that the meeting was concluded.

Coimbatore
04.08.2015


MALLIKA SRINIVASAN
CHAIRMAN