

**PROCEEDING OF THE 90th ANNUAL GENERAL MEETING OF THE
MEMBERS OF THE UNITED NILGIRI TEA ESTATES COMPANY LIMITED
HELD AT SAE GARDENS, 3 A&B, KAMARAJ ROAD, COIMBATORE - 641018
ON FRIDAY, 3rd AUGUST 2012 COMMENCING AT 2.45 PM**

PRESENT

Ms. Mallika Srinivasan, Chairman
Mr. N. Srinivasan, Director
Mr. Sankar Datta, Director
Mr. R.Subramaniyan, Director
Mr. D Hegde, Director
Mr. T G B Pinto, Director
Mr. S.Raghuraman, Finance Manager & Company Secretary.

Following members of the promoter / promoters' group representing 20,93,269 equity shares (41.89 %) attended the meeting -:

S.No.	Promoter/Promoter Company	Represented by (Mr/Ms)	No.of Shares	% of Share Capital
1.	Ms.Mallika Srinivasan	Self	44,088	0.88
2.	Tractors & Farm Equipment Limited	Mallika Srinivasan	8,53,031	17.07
3.	Trustees, T.Stanes & Co. Staff Pension Fund	K.S.Hegde	2,64,816	5.30
4.	T.Stanes & Co. Ltd.	K.S.Hegde	8,36,308	16.74
5.	Stanes Amalgamated Estates Ltd.	P.S.Wallia	87,506	1.75
6.	Southern Tree Farms Limited	P.B.Sampath	7,520	0.15
	Total->		20,93,269	41.89

Ms. Mallika Srinivasan occupied the Chair and welcomed the gathering and announced that number of Members present in person were 418, representing 29,42,174 shares and number of Proxies registered were 53, representing 1,165 shares

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

AGM Notice :

Notice convening the Annual General Meeting was read by the Company Secretary.

Audit Report :

Mr. Ganesh Swaminathan, Partner, M/s. Fraser & Ross, Chartered Accountants read the Auditor's Report.

Chairman's Speech.

Ms. Mallika Srinivasan, Chairman delivered her speech, which was reproduced below -:

"Ladies and Gentlemen,

I have great pleasure in welcoming you all to this 90th Annual General Meeting of your Company.

The world tea production during 2011 was marginally higher at 4217 Million Kg as against 4163 Million kg in 2010. India, the second largest Tea producing country in the world produced 988 Million Kgs in 2011. North India's contribution was 747 Million Kgs and that of South India was 241 million kgs.

India's Tea exports during 2011 were lower at 193 Million kgs as against 223 Million kgs in 2010. The export of North India was 108 Million kgs and that of South India was 85 million kgs.

India's domestic consumption has been increasing steadily at around 2% annually. The domestic consumption during 2011 was 856 Million kgs. After accounting for the countries' annual export, the country had to import 20 million kgs to meet the shortfall. The Government of India is planning to take up tea in non traditional areas to meet the increasing demand.

Despite improved cropping for 2011-12, price line continue to be firm both for orthodox and CTC and approximately Rs.11/- a kg better than last year.

The total Tea manufactured by your Company during the financial year 2011-12 was 2.48 Million kgs as against 2.37 Million kgs during the previous financial year. Similarly the total quantity of Tea exported during the year was marginally higher at 1.28 million kgs as against 1.26 Million kgs last year.

During the current year the South-West monsoon has been scanty and is a matter of great concern. Your tea gardens during the first six months of the current calendar year, received only 6" rainfall which is perhaps the lowest in the past several years as against 23" during the corresponding period of last year. This has impacted the cropping considerably. However, your Company should be able to harvest a reasonable crop with expected better rainfall in the latter part of the year.

Another factor to be reckoned is escalating labour cost as well as the cost of

The demand for Organic tea is growing which is an encouraging trend as far your Company's operations. Your Company is pioneer in organic cultivation in the region. Chamraj and Korakundah gardens are already certified organic. During the year, the Company is proposing to convert 100 acres of Devabetta estate under Organic cultivation.

The Government of India has now released the subsidy till December 2011 for production of Orthodox tea . Though belated this a welcome move. With a view to encourage the industry to produce more orthodox tea we would urge the Government to continue the subsidy during the entire 12th plan period .

An agreement has been signed with a leading retail group for leasing out the entire area of the Commercial Building and the occupation is expected soon. The rental income will improve the revenue of the Company from second half of the current financial year.

Sivasailam Chamraj Higher Secondary School has been recording good result in the Nilgiri District both in X and XII Standards. The English medium has been achieving 100% results every year while the performance of the Tamil medium has been improving each year. Your Company has been continuously increasing the infrastructure facilities at the school by constructing new class rooms, canteen facilities , Laboratories etc for the benefit of students .

The Chamraj Garden Hospital has treated more than 11,000 patients during the last financial year. Your company has created permanent facilities for dental , ophthalmology and diabetology during the year with visiting specialists for treatment. These facilities have greatly benefited the estates workers and the public.

The Net profit before taxation for the financial year 2011-12 was Rs.5.21 crore as against Rs.4.32 crore in 2010-11. Your Directors have recommended a final dividend of 13% for the financial year ended 31st March 2012 in addition to 10% Interim Dividend already paid making the total dividend for the year at 23%.

The industrial relations have continued to be cordial during the year.

I would like to thank my colleagues on the Board for their guidance and also officers, staff and workers of the Company for their continued efforts during the year.

The Directors' Report and the Audited Accounts have been with you for the requisite period and with your permission, I shall take them as read “.

Adoption of Annual Accounts :

The Audited Accounts, Director's Report, Balance Sheet, Statement of Profit & Loss and Cash Flow Statement for the year ended 31st March 2012 were proposed by Ms.Mallika Srinivasan, Chairman.

Before the Resolution was put to vote, Chairman invited comments from the shareholders.

A few shareholders sought some details such as the average sales realization, basis of subsidy for orthodox tea production, expected rental income from the commercial building, status of current year's operations etc. While the shareholders were generally appreciative of the dividend record, hopes were expressed regarding higher dividend and bonus shares in the future. The details sought for were furnished and the Chairman answered the members in an appropriate manner which fact was appreciated by the members present.

The members appreciated the sharing of detailed information and concern by the Chairman and comprehensively replying to all the comments raised at the meeting.

Seconded by Mr.K.R.Ramaswamy, a member, the resolution was put to vote and declared carried unanimously.

Approval of Dividend to shareholders :

Mr.K.R.Ramaswamy, a member, proposed the following resolution for payment of Dividend for 2011-12.

“RESOLVED that a Final Dividend at the rate of Rs.1.30 per share (13.00%) which together with an Interim Dividend of Re.1.00 per share (10.00%) paid already aggregate to Rs.2.30 per share (23 %) for the year 2011-12 on the paid-up Capital of the Company, be and is hereby approved”.

Seconded by Ms. Lakshminarayanan, a member, the Resolution was put to vote and declared carried unanimously.

Re-appointment of Mr.Sankar Datta as a Director :

Mr. N.Srinivasan, a member, proposed that Mr.Sankar Datta be re-

Seconded by Mr.K.S.Balasubramaniam, a member, the Resolution was put to vote and declared carried unanimously.

Re-appointment of Mr.R.Subramaniyan as a Director :

Mr.S.Ganesan, a member, proposed that Mr.R.Subramaniyan be re-appointed as a Director of the Company.

Seconded by Mr. S.Parthasarathy, a member, the Resolution was put to vote and declared carried unanimously.

Appointment of Auditors :

Mr.K.S.Balasubramaniam, a member, proposed that Messrs. Fraser and Ross, Chartered Accountants(Membership No: 000829S) be re-appointed as Auditors of the Company to hold the office from conclusion of the 90th Annual General Meeting of the Company till the conclusion of the next Annual General Meeting on a fees, plus out of pocket expenses to be decided by the Board of Directors.

Seconded by Mr.V.Viswanathan, a member, the Resolution was put to vote and declared carried unanimously.

There being no other business, the Chairman thanked all the shareholders present for their participation and declared that the meeting concluded.

CHAIRMAN
03-08-2012