



The United Nilgiri Tea Estates Company Limited

Regd. Office : P.B. No. 3708, No. 3, Savithri Shanmugam Road, Race Course, Coimbatore - 641 018
Phone : 0422-2220566, 2220125 Fax : 0422-2222865 Email : headoffice@unitednilgiritea.com, unitea22@gmail.com
PAN : AABCT1206H TIN : 33141880020 CIN : L01132TZ1922PLC000234 Web : unitednilgiritea.com

MINUTES OF THE 95th 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 FRIDAY, THE 4TH AUGUST 2017, AT 2.45 P.M.

Ms. Mallika Srinivasan Chairman took the chair.

Mr.N.Srinivasan, Mr.Sankar Datta, Mr.R.Srinivasan, 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 494 members in person representing 25,18,094 equity shares and 45 members representing 1526 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 Mr. PB Sampath.

M/s.Trustees, T.Stanes Staff Pension Fund represented by Mrs.Lakshmi Narayanan.

M/s.Stanes Amalgamated Estates Limited represented by Mr.P.S.Wallia.

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

The notice convening the meeting was taken as read. The Auditors' Report on the Accounts was read by read by Mr.C.R.Rajagopal, Partner, M/s. Fraser & Ross, Chartered Accountants, Coimbatore.

The Chairman informed the members present at the meeting that M/s. Fraser & Ross were the statutory auditors of the Company since the inception of the Company i.e. since 1922. She conveyed her appreciation of their role and valuable assistance for 95 years.

Ms.Mallika Srinivasan, Chairman then read her prepared address:

Good afternoon Dear Shareholders, Ladies and Gentlemen,



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I welcome you all to this 95th Annual General Meeting of your Company and deem it a great privilege to have this opportunity to present a report on your company's performance for the year 2016-2017.

The world tea production during 2016 was higher at 5,463 million kgs. as against 5,282 million kgs. in 2015. India, the second largest tea producing country in the world, produced 1,239 million kgs. in 2016, 30 million kgs. more than in 2015. North India's contribution was 1,027 million kgs. and that of South India was 212 million kgs.

India's tea exports during 2016 was however lower at 217 million kg as against 229 million kgs. in 2015. The exports from North India was 130 million kgs. while South India's was 87 million kgs.

Erratic weather with intermittent high rainfall and prolonged dry spells have become a common feature in the Country. The company's estates had a rainfall of 32 inches only as against 55 inches during the previous year. Consequently the crop during the year under reference fell sharply and the cost of production increased. The continuous decline in the rainfall is a matter of great concern.

The total tea manufactured by your Company during the financial year 2016-17 was at 2.44 million kg as against 2.93 million kg during the previous financial year. The total quantity of tea exported during the year was lower at 1.37 million kg as against 1.62 million kg last year due to softening of demand. However, overall price realization both in domestic and export market was better than last year which together with higher rentals from the Commercial Building, offset to some extent the impact of reduced crop on operational performance.

Happily, there has been some timely rain during the first quarter of the current financial year with improved cropping so far. In the event of continuous better cropping for the rest of the year, the operational performance for the current year should be reasonably satisfactory.

Your Company has given due importance to soil and water conservation activities like rainwater harvesting, building of check



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dams and staggered drenches and increasing the content of organic matter. Your Company has also adopted integrated pest management in the estates by using bio-controls for pest infestation.

The upgradation of factories is a continuous exercise to improve productivity with consistent quality at lower cost. During the year the Company has installed a Hot Air Generator in Chamraj Factory and a Colour Sorter machine was installed in Alladavalley factory. Chamraj and Korakundah factories have been conveyorised during the year for better handling of green leaf.

Your Company has been focusing on increased production of Organic Black and Green tea besides White tea which would improve the price realization and margins. Varieties of value added teas, herbal infusions, flavoured and wellness teas which are in good demand are being introduced.

Tea has been placed under the 5% slab of the GST. Green Tea leaves is included under "exemption list". Tea Cess collected earlier @ 50 paise a kg is now subsumed under the GST. The rate of GST for Tea is the same as under the earlier VAT. The benefit of input tax credit (ITC) should offer better support for the tea industry.

I am very glad to inform you that your Company has got Korean Certification for Korakundah Garden, being the first tea garden in India to have bagged this certification.

I am also happy to inform you that Chamraj and Korakundah estates have won four awards at this year's Golden Leaf India Awards held in Cochin in May 2017 and this achievement has been consistent for several years now.

Corporate Social Responsibility (CSR):

As you are all aware your Company is running a well established Higher Secondary School that is open to children in the surrounding community as well. Besides this the company provides medical care to the area through its modern,



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well-equipped garden hospital and supports the community through an orphanage.

Sivasailam Chamraj Higher Secondary School, which includes children from neighbouring villages, has recorded 99% result in the 10th Standard and 95 % result in the 12th Standard during the academic year 2016-17.

The Chamraj Garden Hospital has treated nearly 12,043 out-patients and 1,670 in-patients totaling to 13,713 patients during the last financial year.

Through the United Nilgiris Conservation Society the company partners with other socially conscious corporates and with the support of Government strives to alleviate poverty, upgrade the quality of life amongst village communities and protect the environment in the Nilgiris

FINANCIAL RESULTS:

The Annual Report and the accounts have been with you for some time. The profit before tax for the year 2016-17 was Rs.11.70 crores as against Rs.13.56 crores due to lower production caused by prolonged drought.

Your Directors have recommended a final dividend of 17% for the year ended 31st March 2017 in addition to 10% Interim Dividend already paid making the total dividend at 27% for the year.

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 you shareholders have been with the Company for several years and I would like to express my most sincere appreciation for your support.

Thank you,



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The Chairman informed the members that one of the shareholders present at the meeting is Mr S.Ganesan and he has been the shareholder of the Company since 1957. She said he would be celebrating his 84th birthday on the 6th of August, 2017. As a token of appreciation of his continued faith in the Company, the Chairman offered a flower bouquet and wished him on behalf of the shareholders and on her personal behalf, a long healthy life.

The Chairman also supplemented her speech by giving a bird's eye view of the geo-economic situation both in India and overseas, the strategies which are being adopted to augment profitability and explained the product mix and various value added teas marketed by the Company. She outlined about the implications of Indian Accounting Standard (IndAs) applicable to the Company with effect from financial year 2017-18 and also the implication of GST effective from 1st July, 2017.

Transactions of Business :

The Chairman took up the agenda of the meeting.

ORDINARY BUSINESS:- Ordinary Resolutions

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2017, consisting of Balance Sheet as at 31st March 2017, Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

Proposed by Mr. S. Parthasarathy

Seconded by Mr. S. Ganesan

Members appreciated the performance, sought clarifications and gave suggestions all of which were responded to by the Chairman and the Management.

"RESOLVED that the statement of profit and loss for the year ended 31st March 2017, the Balance Sheet as at date, the Cash Flow Statement for the same period together with notes forming part of financial statements and also the consolidated financial statements



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be and are hereby approved and the Directors Report and the Auditors Report thereon be and are also hereby adopted.

2. (i) To confirm the Interim Dividend of Re.1 per equity share already paid for the financial year ended 31st March, 2017 and
(ii) To declare a Final Dividend for the year ended 31st March 2017.

Proposed by Mr. J. Abhishek

Seconded by Mr.S. Raghavan

"RESOLVED that the Interim Dividend of Re.1/- per share (10 %) paid already be and is hereby confirmed and a Final Dividend of Rs.1.70 per share (17 %) for the year ended 31st March, 2017 to be paid to those shareholders whose name appear in the register of members as on the date of the book closure for the purpose of AGM and dividend i.e 4th August, 2017 be and is hereby approved".

3. To appoint a Director in place of Ms. Mallika Srinivasan (DIN: 00037022) who retires by rotation and is eligible for re-appointment.

Proposed by Mr.P.S.Bopaiah

Seconded by Mr.V.Viswanathan

"RESOLVED that Ms. Mallika Srinivasan (DIN: 00037022) be and is hereby reappointed as a Director of the Company and is liable to retire by rotation".

4. To appoint a Director in place of Mr. N.Srinivasan (DIN: 0004195) who retires by rotation and is eligible for re-appointment.

Proposed by Mr.K.S.Balasubramaniam

Seconded by Mr. R.Karthik

"RESOLVED that Mr.N.Srinivasan (DIN:0004195) be and is hereby reappointed as a Director of the Company and is liable to retire by rotation".



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5. To appoint M/s.K.S.Aiyar & Co., Chartered Accountants, (Firm Registration No. 100186W) as Statutory Auditors for a period of five years commencing from financial year 2017-18 and ending with the financial year 2021-22 and fix their remuneration.

Proposed by Mr.K.Parthasarathy

Seconded by Mr.Ganesan

"RESOLVED that pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s.K.S.Aiyer & Co., Chartered Accountants (Firm Registration No. 100186W) be and are hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of this (95th) Annual General Meeting until the conclusion of the 100th Annual General Meeting subject to ratification by the share holders at every Annual General Meeting for the said period and that the Board of Directors be and is hereby authorized to fix their remuneration payable to them".

SPECIAL BUSINESS: Ordinary Resolutions

6. To appoint Mr.R.Srinivasan (DIN: 07709957) as an Independent Director for a period of two years from 31st January, 2017.

Proposed by Mr.P.B.Sampath

Seconded by Mr.Ganesan

"RESOLVED that pursuant to the provisions of Sections 149, 150,152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules,2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, Mr.R.Srinivasan (holding DIN : 07709957) Director of the Company who has submitted a declaration that he meets the criteria of independence under Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of the Director, be and is hereby



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appointed as an Independent Director of the Company for a term of two years with effect from 31st January 2017”.

The Chairman felicitated the outgoing auditors, Fraser and Ross who have had a long association with the company as auditors. Chairman requested Mrs. Lakshmi Narayanan, Whole-time Director, T.Stanes and Company Limited to join her in offering a bouquet to Mr.C.R.Rajagopal, Partner, Fraser & Ross, Chartered Accountants, - outgoing auditors - as a token of appreciation of the firm's service to the Company.

The Chairman outlined the procedure for casting votes in person which is available to those did not exercise the e-voting.

The Chairman also announced that Mr.C.V. Madhusuadanan , Partner, M/s KSR & Co., Company Secretaries LLP, Coimbatore, the scrutinizer of the E Voting is authorized to count the physical votes at the AGM venue and the scrutinizer 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 by the Chief Financial officer.

The Chairman declared the meeting concluded at 4.10 pm.


**MALLIKA SRINIVASN
CHAIRMAN**

Coimbatore
04-08-2017