

HARRISONS MALAYALAM LIMITED

MINUTES OF THE THIRTY FIFTH ANNUAL GENERAL MEETING
HELD ON THURSDAY, 27TH SEPTEMBER, 2012 AT 10.00 A.M.
AT DURBAR HALL, CASINO HOTEL, WILLINGDON ISLAND,
COCHIN – 682003

Present: Mr. V. Venugopal
Mr. Ravi A. – Company Secretary
Mr. K.N. Mathew – Chief Financial Officer

And 629 shareholders present in person and by proxy as per the record.

In the absence of the Chairman Mr. Sanjiv Goenka, Mr.K.N. Mathew (DP ID Client ID IN30163710177016) proposed the name of Mr. V. Venugopal, Manager designate and also a member of the Company to be the Chairman of the meeting. This was seconded by Mr. P.A. Krishnamoorthy (DP ID/ Client ID IN30115125328911). The members present elected Mr. V. Venugopal as the Chairman of the meeting.

Mr. V. Venugopal took the Chair and called the meeting to order after ascertaining that the quorum was present.

The Chairman then welcomed the members to the Thirty Fifth Annual General Meeting of the Company. Thereafter he delivered his speech.



The Notice of the meeting having been circulated to all the shareholders, in accordance with the Provisions of Section 172 of the Companies Act, 1956, the same was taken as read with the approval of all the members present.

The audited Balance Sheet as at 31st March, 2012, the Profit and Loss Account for the year ended on that date and the Report of the Directors having been circulated to all the members, were taken as read with the approval of the members present.

As requested by the Chairman, Mr. Ravi A., Company Secretary read out the Auditors' Report.

The Chairman then tabled the following ordinary resolution:

“RESOLVED THAT the Balance Sheet as at 31st March, 2012, the Statement of Profit and Loss for the year ended on that date, the Reports of the Directors' and Auditors' be and are hereby received, considered and adopted”.

This was proposed by Mr. Ivan Gueizelar (DP ID/Client ID 1202390000004164) and seconded by Mr. R. Gopalakrishnan (DP ID/Client ID IN30023911095604).

Thereafter the Chairman invited questions from the members present on the Accounts and the working of the Company for the year ended 31st March, 2012. Questions raised by Mr. C.P. Thomas, (DP ID/Client ID

30023913754706) regarding the Chairman absence and other queries were answered by the Chairman.

The resolution was put to vote and carried unanimously.

The Chairman then tabled the following ordinary resolution:

“RESOLVED THAT a dividend at the rate of Re.1.50 per share be paid for the year ended 31st March, 2012 on the equity shares of the Company and that the same be paid to those shareholders whose names appear on the Register of Members of the Company at the close of business on the 27th day of September, 2012 or to their mandatees.”

This was proposed by Mr. Satchidananda Rath (DP ID / Client ID No.IN30115122365928) seconded by Mr. C.P. Thomas (DP ID Client ID No.IN30023913754706) and carried unanimously.

The Chairman then tabled the following ordinary resolution:

“RESOLVED THAT Mr. Paras K. Chowdhary be and is hereby re-appointed as a Director of the Company whose appointment is subject to retirement by rotation”.

This was proposed by Mr. V. Balaraman (Folio No.513107) and seconded by Mr.Ivan Gueizelar (DP ID/Client ID 1202390000004164) and carried unanimously.



The Chairman then tabled the following ordinary resolution:

“RESOLVED THAT Mr. Golam Momen be and is hereby re-appointed as a Director of the Company whose appointment is subject to retirement by rotation”.

This was proposed by Mr. Bijoy A.B. (Folio No.513799) seconded by Mr.P. Prashant Kumar (Folio No. 513793) and carried unanimously.

The Chairman then tabled the following ordinary resolution:

“RESOLVED THAT Messrs. Price Waterhouse, Firm Registration No.301112E, Chartered Accountants, Chennai be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and the Board be and is hereby authorized to fix their remuneration.”

This was proposed by Mr. C. Vinayaraghavan (Folio No.IN30088814070635) seconded by Mr. M.V. H. Menon (Folio No.513808) and carried unanimously.

The Chairman then tabled the following ordinary resolution:

“RESOLVED THAT Mr. Ashok Bachan Goyal who was appointed as an Additional Director of the Company with effect from 20.09.2011 and who holds office up to the conclusion of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a



member in terms of Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director and who is eligible for appointment, be and is hereby appointed as a Director of the Company liable to retirement by rotation."

This was proposed by Mr. Abraham K.V. (DP ID/ Client ID No.IN30023910014749) seconded by Mr.Santhosh Kumar (Folio No.513777) and carried unanimously.

Since the next item on the agenda pertained to the appointment of Mr. V. Venugopal as Manager, he relinquished the Chair to Mr.K.N. Mathew. The following resolution was tabled as a special resolution by Mr.K.N. Mathew.

"RESOLVED THAT pursuant to the provisions of Section 269, 387, 388 and other applicable provisions, if any, of the Companies Act, 1956, including any modifications or re-enactments thereof (the Act), the Company hereby approves and confirms the appointment of Mr.V. Venugopal as Manager of the Company for a period of 3 years commencing from August 14, 2012 on the remuneration and perquisites as set out in the Explanatory Statement and subject to the terms and conditions in the agreement proposed to be entered into between the Company and Mr. V. Venugopal.

"RESOLVED FURTHER THAT Mr.V. Venugopal be paid remuneration and perquisites within the limits laid down in Clause (B) of Section II of Part II of Schedule XIII of the Companies Act, 1956 and which has been



set out in the Explanatory Statement, for a period of 3 years from August 14, 2012 to August 13, 2015.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board be and is hereby authorized to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any questions or doubts that may arise in this regard.”

This was proposed by Mr. Abraham K.V. ((DP ID/ Client ID No.IN30023910014749) seconded by Mr.Ivan Gueizelar (DP ID/Client ID 1202390000004164) and carried unanimously.

Mr. V. Venugopal resumed the chair thereafter.

There being no further business, the meeting ended at 10.30 A.M. with a vote of thanks to the Chair.


CHAIRMAN

Date: 27.09.2012
Place: Cochin

HARRISONS MALAYALAM LIMITED



Chairman's Speech

35th
ANNUAL GENERAL MEETING
September 27, 2012



Good morning ladies and gentlemen,

It is my privilege to welcome you to the 35th Annual General Meeting of Harrisons Malayalam Limited.

HML during 2011-12 achieved a turnover of Rs 369 crores. Tea produced from Greenleaf harvested from own gardens registered a 10% growth over last year, while Rubber production from own gardens was at last year's levels. Rubber prices were at a high throughout the year. On the Tea front, the South Indian teas witnessed an upward movement.

The growing demand for Natural Rubber continues to have a favorable impact on rubber prices. The average RSS IV price for the industry was Rs.207.83 which is higher by Rs.17.48 as compared to the previous year on a per kg basis. RSS IV touched a peak of Rs 201 per kg during April 2012. Currently the price is at Rs 191. The average price realized for HML rubber was Rs.213.83 as against Rs.206.11 of the previous year. The company has been able to maximize the average realization through manufacture of high quality centrifuge latex which commands a premium in the market. During the FY 2011-12, 5004MT of centrifuge latex was produced which is approximately 66% of HML's total rubber production.

Tea Industry experienced buoyancy after a long time. During the year, auction averages registered an upward movement. HML tea

prices in Auction at Rs.77.95 per kg were higher than Rs.71.10 per kg of last year. HML registered the highest auction price of Rs.100.43 in the month of September 2012. The Company is making efforts to improve realizations by improving the quality and also exploring new markets within and outside the country. Controlling costs through improvement in employee productivity is also being pursued vigorously. The average price realization for Tea was Rs.75.96 per kg. The Company's flexibility to produce both Orthodox and CTC teas, depending upon the market demand, has ensured better realization. Direct marketing of tea is being actively pursued to minimize dependence upon auction prices and to improve margins. Specialty Tea categories are also being explored with a view to widening the product range and ensuring higher value addition.

Substantial investments made in bringing larger areas under replanting in Rubber and infilling in Tea estates are sure to have lasting and positive impact on the Company's performance in the coming years.

It has been the Company's policy to consistently ensure good quality of its products – Tea and Rubber – through improved agricultural practices and standardization of manufacturing process. Substantial improvements in upgrading the Tea and Rubber factories has resulted in lowering the cost and improving product quality and is believed to give us long term benefits.

During FY 2011-12, we produced 2568MT of Tea and 2935MT of Rubber from bought materials, and continued our operations based on bought raw materials both Tea and Rubber. We continue with our efforts in improving our Tea and Rubber bought operations with a view to increase the productivity, turnover and profitability. This has also helped us in servicing our customers better with sustained supplies.

I am happy to report that throughout FY 2011-12 employee relations at all levels remained cordial. The Company's efforts in improving labour productivity through incentive schemes and reorganized work continued to yield positive results. Escalating wage cost, increase in energy and other input cost coupled with changing weather conditions, continue to be major concern for the plantation industry.

And that brings me, ladies and gentlemen, to the end of my speech. But before that, may I thank our employees who made significant contribution to the Company throughout the year to strengthen our business. May I take this opportunity to thank the Governments of Kerala and Tamil Nadu and the Government of India for their co-operation, understanding and support. Similarly we appreciate the contribution of our bankers, financial institutions, business associates and the support of our customers. And finally, may I thank you, dear shareholders, for your continued support and for the trust and confidence reposed in us.

CHAIRMAN