

NEELAMALAI AGRO INDUSTRIES LIMITED

CIN: L01117TZ1943PLC152874

Registered Office: No.60, Rukmani Lakshmipathi Salai,
Egmore, Chennai 600 008

PROCEEDINGS AT THE 82ND ANNUAL GENERAL MEETING ON MONDAY, THE 18TH August, 2025 AT 11.00 A.M.

Commencement of the Meeting: 11.00 A.M.

CHAIRMAN

Mr. Ajit Thomas to occupy the Chair.

Good Morning everybody,

I, Ajit Thomas, Chairman welcome you all to the 82nd Annual General Meeting of our Company being held through video conferencing facility and I am participating from Chennai.

This meeting is held through Video conferencing or other Audio-Visual Means pursuant to the Circulars issued by the Ministry of Corporate Affairs and SEBI.

As we have the requisite quorum, I now call the meeting to order.

I would like to highlight few general procedures to all the Members –

- This AGM which is being held through Video Conferencing or other Audio-Visual Means is made available for members on first come first served basis.
- All the participants who have joined the meeting have been muted by the host of the meeting to avoid background noise, ensure smooth and seamless conduct of the meeting.
- Remote e-voting facility was provided by company to vote for the resolutions set forth in the Notice from 9.00 A.M. on 15th August, 2025 till 5.00 P.M. on 17th August, 2025.
- Members who have not cast their votes before and are attending this meeting, will be able to cast their votes through the e-voting facility provided by CDSL during the course of this meeting. The e-voting facility will be available up to 15 minutes from the end of this Annual General Meeting.
- Members are requested to refer to the instructions for e-voting provided in the Notice of the meeting. In case of any difficulties, members may please contact CDSL helpline as stated in the Notice.
- The company has received request from 2 shareholder(s) to registered as speakers. The two speakers have very kindly send their questions in advance and I will be answering them to the best of our ability.
- The Statutory Registers as required under the Companies Act, 2013 has been made available at the Registered office of the Company.
- In accordance with the recent MCA Circulars, requirement of appointing proxies is not applicable to this meeting.

INTRODUCTION OF DIRECTORS:

I have great pleasure in introducing the Directors of the company, who are joining this meeting through Video Conference from their respective locations;

- (a) Mrs. Shanthi Thomas, Executive Director
- (b) Mr.F.S.Mohan Eddy, Non-Executive Director
- (c) Mrs. Kavitha Vijay, Non-Executive Independent woman Director
- (c) Mr. S.Ganesan, Independent Director and who is also the Chairman of the Audit Committee & Nomination and Remuneration Committee of the Company
- (d) Mr.M.Meyyappan, Independent Director

Along with me, I have the Key Executives of the Company, Mr. Deepak G. Prabhu, Chief Financial Officer, Mr.S.Lakshmi Narasimhan, Company Secretary.

We also have Mr.S Narasimhan, Partner, M/s PKF Sridhar & Santhanam, Statutory Auditors,

Mr.

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V. Suresh, Secretarial Auditors of the company, Mrs. K.Sreepriya, Vice President and Company Secretary of Cameo Corporate Services Limited (Registrar and Share Transfer Agent), who are joining this meeting through Video conference from their respective locations.

Participation of members through video conference shall be reckoned for the purpose of quorum for this meeting as per the applicable provisions.

Since the Notice of this meeting has been already circulated to all the members, I take the notice convening the meeting as read.

Shareholders may please note that as mentioned in the Directors report, there are no qualifications or adverse remarks either in the Statutory Auditors report or Secretarial Audit report. Hence the Auditors report need not be read at this Meeting.

I will move on to my chairman's speech.

Ladies and Gentlemen,

I have great pleasure in welcoming you all to the 82nd Annual General Meeting of the Company.

The Directors Report and Accounts for the year ended 31st March 2025 have been with you for some time and with your permission, I shall take them as read.

WORKING RESULTS:

The year 2024-25 recorded production of own and bought leaf Tea together at a total quantity of 14 Lakhs kg as against 18.70 lakhs kg in the previous year. There was a decrease of 1.17 lakhs Kg of own leaf mainly due to climatic conditions. The Bought leaf purchase reduced, due to on-going mechanization of the factory during the year, which has since been completed.

The sale average for Tea has been at Rs. 150.18 per Kg as against Rs. 132.60 per Kg in the previous year. The total revenue from operation was Rs.23.24 Crores as compared to the previous year figures of Rs.25.34 crores. The profit before tax and exceptional items is Rs 4.39 crores as compared to Rs 5.17 crores in the previous year. The profit before tax and after exceptional items is Rs 3.45 crores as compared to Rs 22.90 crores in the previous year. The profit after tax is Rs 3.45 crores as compared to the previous year figure of Rs.20.88 crores, which included some one time income from sale of land.

DIVIDEND:

The Board has recommended Dividend of 300% on Equity Share Capital (Rs.30/- each per share) for the year ended 2024-25, amounting to Rs.1.87 crores. This is subject to the approval of the Shareholders at this AGM.

On behalf of the Board, and on my own behalf, I thank our Shareholders, Customers, Employees, Bankers, suppliers and other agencies of the Company for their wholehearted contribution, support and continued co-operation to the Company.

Ajit Thomas

As I mentioned, we will now move on to the question-and-answer session. And as I mentioned, there were two members who have registered and sent us their queries. However, if they would like to come on and speak briefly before I answer their questions. That's, they're welcome. May I ask the moderator to allow Mr. Abhishek to be connected?

Srinivasan CDSL

Mr.Abhishek, you are elevated to panel, please unmute your device and speak.

Abhishek.J

Can you hear me? Am i audible sir.

Ajit Thomas

Yes, Mr. Abhishek, at the outset, I thank you for sending your questions up ahead. If there's anything you'd like to add, add or anything you'd like to say to the board, we are happy to hear you.

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Abhishek.J

Yes Sir ,Yes Sir I would definitely like to add, I congratulate the management on the eve of 82nd Annual General Body Meeting That trust always well with you and your family in this challenging situation. Our company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability and becoming one of the strongest brand in the respective segment.

Sir I would like to know that the dividend yield has come down when compared with the previous year, so what is the reason sir that you have to reduced the dividend yield and what are the steps being taken by the management side to reduce the other expenses legal professional charges and the audit fee? Then the 4th resolution last Resolutions of today's Annual General Body meeting, you are appointing practicing company secretary for the company and whether Suresh Associates are already associated with AVT group or they are newly being appointed, I would like to know we are appointing for the subsequent period of five years, so what is the remuneration being fixed? I would like to know from you sir and what are the steps being taken by the management sir to improve the EPS which is only 60.20 and return on equity only 5.70, so what proactive steps is the management taking? On that I would like to know from you sir and some of the questions sent via email itself as not repeat the same questions again in the interest of time, that I would request the management to kindly arrange Neelamalai Agro, plant visit for the share holders and kindly send product samples to the Neelamalai Agro, to investor fraternity of nothing much to ask, I wish the company and the board of directors, a great success and prosperity in the coming future and thank you for giving the opportunities I hope to see you in the Hybrid AGM next year. Thank you very much Sir

Ajit Thomas (Chairman)

Thank you Mr. Abhishek. Mr.Garg is there on, is he, can we connect him? Mr Keshav Garg

Srinivasan CDSL

Keshav Garg Sir You are elevated, please unmute.

"Keshav Garg"

Yes sir. Sir. So thank you very much for providing me this opportunity sir. I just sir, I'm new to the company, so I'm just trying to understand sir, our tea gardens are in the Nilgiri in the same area where there is this company United Nilgiri Tea, Sir, now, that. Company produces around 30,00,000 kgs of Tea and with a revenue of roughly 80 crores and they do around twelve crore EBITA and sir, whereas our production is roughly half of their production at roughly 13,14 lakhs kgs.

Sir but surprisingly we are Continuously making operating losses and the operating losses seem to be increasing with time and sir, our revenues are also going down from in FY 16, we used to do around eight years back 33 crore of our top line, which has reduced to around 23 crore and from around a break even we are now doing three four crore of operating losses so I'm unable to understand that at the same location where other tea garden are making good money.

Sir why are we unable to basically make money? So now that company is into organic Teas and they are exporting a large proportion of their outputs or sir so aren't we working on in that direction or sir, what exactly is the issue with our tea plantation? Sir, also we have sir what out I understand we have some 630 or 650 Hectares of land so is all of it cultivated or some part is uncultivated and sir, what is the scope to further increase the production of our tea gardens or any alternative crops can be grown over there which enjoy higher profitability.

Sir, is there any scope to set up solar power plant in the uncultivated land that we might be having? Sir, now last year we made a additional investment in some Grover Zampa Vineyards,sir our total investment stands at 12.3 Crores approximately so so what is the stake that we hold in this company and sir, is there any plan to basically get into the winery business? Sir, we have some other unquoted shares also, sir so is there any other company in which we have significantly share?

Sir, in hospitality, is there I can see we make some 30 lakhs or something sir so, can this vertical become big for us in the fullness of time? Now sir, we hold 40% in AVT Natural Company. Sir now so that company is also into decaffeinated tea and coffee sir, so is there any proposal to merge both these companies answer the AVT shares can be allotted Directly to the shareholders of Neelamalai Agro without making any change in the control of the promoters. And sir since AVT Natural Products is also into decaffeinated Tea coffee sir so it will become a vertically integrated entity sir, so any thoughts on those lines? Sir so basically lastly sir, if you could just tell your shareholders that what is in store for us going forward from the core business, thank you very much sir, and best wishes.

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Ajit Thomas

Thank you, thank you Mr. Garg. and I will start with some of the questions you raised today. Yes, United Nilgiri area is substantially more. Crop is more and diversification is more than that they got into value added these domestic market at the very age. I suspect also there is other income substantially from the Amalgamation group in it. See what you need to understand even though Nilgiris, this is one area, from area to area, the crop and the quality of the Tea varies. Unfortunately for us our estate is a little bit of a rain shadow area, so we struggle in certain years with the crop. So it's difficult to compare with them that a larger estate, they have more valuation, built up a brand and as organic Teas over the years and good exports.

We are also working on the lines of increasing our exports. We have made substantial progress in the last one year, we're getting into new markets and that is the area we see that some growth coming for the, company and to increase our revenues and our profitability. We, the management is trying to come back to break even on the Tea operations and that potentially should happen quite soon, -weather being cooperative.

Land increase is not possible. Most of the area which we can plant for Tea is planted, the rest of the area is maybe infrastructure. There's no other crops that we can do there. It is about the maximum, maximized. We have phased one setback on replanting, we are not able to replanting with new clones because the government has put some restrictions on use of equipment mechanized equipment for us to uproot the tea bushes, so we have been stuck with no replanting for the last few years. It's a local issue in Nilgiris.

With regard to Grover it is a strategic investment from Neelamalai and the group. We were a small investor in Grover, but the company got into trouble, so we decided to invest more money and we have taken over the management of Grover from last year by AVT group. The group as such holds over 44% in the company is managing the business. We are turning the business around. We cleaned up the company and going forward we see substantial gain in the valuation of the shares and as such a good return to us, whether we continue to run the business or we exit and make a strategic exit.

Your question on merging with AVT Natural is quite a complicated issue. It is not just decaffeinate tea with the AVT Natural, they do a lot of other products, spices, natural pigments, and other things, and it's unlikely that we will be looking at a merger there in the near future. I think some of your other questions from your note, solar I think the potential is really not there because most of the areas is covered with tea bushes.

On hospitality, yes, we made a start. we have one property in Coonoor town which is now being commercially exploited and that's the turnover you see from there. We are in the process of creating one of our old Managers bungalow which was abandoned, is now being renovated. It will have seven rooms and a clubhouse, and we will obviously sometime next year get starting more revenue from there. The potential for hospitality and is substantial, we have a couple of other locations on the property which can be exploited and eventually the aim is to have Profit from hospitality to do as much or better than the Tea business. That is the long term growth for the company.

Some of the questions which came from Mr. Abhishek. Dividend policy is come down a bit because last year we had some one time sales of land, so we had a more aggressive dividend policy we follow a formula as a percentage of after sales profits after tax profits which we distribute There is a constant attempt to keep other costs under control especially since the Tea business's core business is not very profitable.

The Company Secretary, Mr. Suresh has been associated with us for decades. He's been the previous company secretary, very happy to recommend him to continue for another period of five years, He's the external Company Secretary. He's one of the outstanding Company Secretaries in Chennai.

Yeah, the new directors are I think well known to you, so they all had very competent and respective credentials in their own fields, so we are happy to have them on board. There are some questions you've asked about a number of shareholders and some of these details you are please welcome to connect with the Company Secretary and access that information.

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I take your point on the EPS and the ROE, we are very aware of the profitability the company has some potential to improve, but as I said, we have some challenges in the core plantation area, surprisingly, you know, historically in the Nilgiris Tea used to get the best price and be the most profitable and Kerala Teas used to struggle. The last two to three years has been a reversal of fortunes. Kerala Teas are getting very good price. and having a boom and Nilgiris are unfortunately struggles with you know some drop in prices both of exports and domestic.

Hopefully with the new efforts that we have made in tapping new markets for exports, we, could come back to better results from plantations. I think I have covered the key questions and welcome to get in touch with the Company Secretary, if you would like any further clarifications or speak to any of the key management persons regarding any particular points. I thank you both for sending in your questions and joining, always welcome to hear from both of you.

Their have no other questions or speakers registered.

So with your permission I'll move on to the next stage, which is the polling process.

I would like to mention that pursuant Section 108 of the Companies Act 2013. and Regulation 44, the Securities Exchange Board of India, LODR requirements, regulations 2015, the company has conducted the e-voting process from Friday 15th August 2025 to Sunday 17th August 2025.

Members who have not already cast their votes where remote e voting shall be eligible to participate in the e voting process being provided at this AGM. The Company has appointed Mr.V. Suresh Practicing company Secretary as scrutinizer to scrutinize the votes cast the meeting and through the remote e voting.

Since, the AGM is conducted through video conference and other audio visual means and the resolutions have already been put to vote through remote e voting, there will be no proposing or seconding of resolutions. The e voting facility will remain open for the next 15 minutes

Members who have not cast their votes till now, but please cast their votes now. Voting results will be announced within two working days of the conclusion of this AGM. The results declared along with the scrutinizer's report shall be placed on the company's website, besides being communicated to the BSE Limited and the central Depository Services India limited CDSL e voting agency.

I wish to thank all shareholders to take an initiative to join the meeting through video conference and to be patient throughout the meeting and make this a success.

I thank our Directors, Statutory Auditors, Secretarial Auditors, Registrar and Share Transfer Agents, and panel members who have joined this meeting.

With your consent, I would like to conclude the meeting and I look forward to seeing you next year. Hopefully we could consider a physical or a meeting and so that we get to meet in person.

Thank you all very much.

I now declare the Meeting as closed. Thank you

Srinivasan CDSL

With the confirmation from the chairman, we are concluding this meeting. Thank you all for joining. Have a great day. Thank you.

Conclusion of the Meeting: 11.22 A.M.