



July 30, 2019

To,
The Secretary,
Market Operations Department,
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI – 400 023.

Capital Market Operations
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Fl., Plot No.C/1,
G Block, Bandra-Kurla Complex,
Bandra (E),
MUMBAI – 400 051.

Scrip Code: 500003

Scrip Code: AEGISCHEM

Dear Sir,

Sub: Chairman's Speech at the 62nd Annual General Meeting (AGM)

We enclose herewith the Chairman's speech delivered at the 62nd Annual General Meeting (AGM) of the Members of the Company held on Tuesday, 30th July, 2019, at Fortune Park Galaxy, National Highway No. 8, G.I.D.C., Vapi - 396 195, Gujarat.

Thanking you.

Yours faithfully,
For AEGIS LOGISTICS LTD.

MONICA GANDHI
COMPANY SECRETARY

Encl. : a/a

AEGIS LOGISTICS LTD.

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CIN No: L63090GJ1956PLC001032



CHAIRMAN'S SPEECH

"Building an Unrivalled Network of Liquid and Gas Terminals"

62nd Annual General Meeting

Tuesday, July 30th, 2019 at Vapi

Aegis Logistics Limited

1202, 12th Floor, Tower B, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel (W),
Mumbai 400 013

Dear Members of Aegis Logistics Limited,

Ladies and Gentlemen,

It gives me pleasure in welcoming you to the 62nd Annual General Meeting of Aegis Logistics Limited. On behalf of the Board of Directors and my colleagues at Aegis, I thank you all for your kind presence here today. The Notice of the Annual General Meeting, the Directors' Report and the Audited Accounts for the year ended 31st March, 2019 are already with you and with your permission, I take them as read.

It's my pleasure to share with you the highlights of the progress made by Aegis Group since we met twelve months back.

MACRO ECONOMIC OUTLOOK

India's economic growth is closely related to energy demand; therefore the need for oil and gas is projected to grow more, thereby making the sector quite conducive for investments. With the improvement in the economic scenario, there have been various investments in various sectors of the economy on the back of favourable government support.

On the global front, the Indian economy is likely to face more uncertainties due to the US policies targeted at China, India and Iran, among major economies. There is continued uncertainty regarding crude and gas prices which remain volatile. To cope up with the high demand, the Indian government has adopted policies such as allowing 100 per cent foreign direct investment (FDI) in many segments of the oil and gas sector such as refineries, pipelines, petroleum products, natural gas and infrastructure related to the marketing of petroleum products. On the other hand, India's demand for liquified petroleum gas (LPG) rose to a record in the fiscal year ended in March amid government measures to provide cleaner cooking fuel to rural households. Thus, domestic policy stimuli are the key drivers to our business.

BUSINESS PERFORMANCE AND MAJOR MILESTONES

The Company had a good performance in FY19 with Profit after Tax increasing from Rs.213.80 Crores to Rs. 252.11 Crores and Earnings per Share rising to Rs.7.55 in FY19 on consolidated basis. The Company is in a strong financial position with Cash and Cash equivalents in excess of Rs. 353 Cr and a very low debt to equity ratio at 0.04 on 31 March 2019. The Board was pleased to declare one interim dividend of Re. 0.50 per share of Re. 1 each. Further, the Board of Directors of the Company has recommended of Re. 0.90 per share of Re. 1 each, which is subject to the approval of members at this Annual General Meeting.

GROUP STRATEGY & GOALS

Consistent with our vision of being the leading provider of logistics and supply chain services to India's oil gas and chemical industry, the Group strategy is clear. We will build an unrivalled network of liquid and LPG tank terminals at key ports around the coastline of India, with an emphasis on safety, environmental standards and high customer service.

Key drivers like government initiatives on LPG, consumer preference for clean cooking fuel, low penetration and lack of alternate fuel options increased the demand for LPG. Further, Aegis's terminals are strategically located at key ports and in addition, pipelines from ports to inland demand centres are advantageous for Aegis' current and upcoming terminals. Also the strong customer relationships have enabled higher utilization of the Company's terminal capacities.

I would like to highlight below some specific accomplishments during FY 18-19 and announcements made of several new initiatives continuing our growth story in line with our strategy:

- The liquid terminal expansion at Haldia of 35,000 KL was completed during the year 2018-19 resulting in total capacity of 1,20,190 KL capacity at Haldia.
- The Company has completed 25,000 KL of liquid capacity at Mangalore port during F.Y 2018 – 2019. Further the Company has also approved setting up of additional storage capacity of 50,000 KL which is expected to be completed by FY 2020-21.
- The Company has further announced the setting up of additional tankage with the storage capacity of 40,000 KL beyond the existing 1,00,000 KL storage capacity at Kandla Port which is expected to be completed in FY 19-20.
- The Company has also approved addition of 20,000 KL of bulk liquid tankage beyond the existing 51,000 KL at Kochi Port.
- In order to cater to the rising demand, the Company is setting up a new LPG terminal of the capacity of 45,000 MT at Kandla.
- The Company is also expanding its LPG storage capacity at Pipavav by 3,800 MT over and above the existing 18,300 MT and setting up an LPG railway gantry.
- With this expansion, Aegis will retain its leadership position in both liquid and gas terminals.
- The company will be adding other logistics capabilities to its terminal facilities to offer better services to key customers.
- The Company will continue to participate in tenders for additional leased land at various ports.
- We continue to make steady progress in expanding our autogas retailing footprint and packed LPG cylinder distribution with the launch of new cylinder packages.

COMMITMENT TO WORLD CLASS STANDARDS

The Group is committed to continuous improvement and to high Health, Safety and Environmental standards. The Company is proud to have been awarded and re-certified for the ISO 14001:2004, OHSAS 18001:2007 as well as ISO 9001:2008 standards for its flagship terminals at Mumbai port.

CORPORATE SOCIAL RESPONSIBILITY

The Company's CSR activities pre-date the coinage of the phrase "Corporate Social Responsibility". For a number of years, the Company has been an active participant in corporate social responsibility. Acting through Anarde Foundation, the company is actively promoting financial inclusion, clean drinking water, low cost housing, water resource management and skill development initiatives.

Lastly, I wish to thank the Board of Directors for their immense support. I am also grateful to the Central and State Governments where Aegis operates, the Port Trust and other Port authorities, all our stakeholders, investors, bankers, financial institutions, suppliers and customers for their consistent and resolute support and confidence in us. I also wish to acknowledge the contribution of the employees who have been our strength in the progress of the Company.

Raj K. Chandaria
(Chairman of the Meeting)

30th July, 2019