



AEGIS LOGISTICS LIMITED

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August 9, 2018

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 61st Annual General Meeting (AGM)

We enclose herewith the Chairman's speech delivered at the 61st Annual General Meeting (AGM) of the Members of the Company held on Thursday, 9th August, 2018, 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



CHAIRMAN'S SPEECH

"Building an Unrivalled Network of Liquid and Gas Terminals"

61st Annual General Meeting

Thursday, August 9, 2018

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*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 61st 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, 2018 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

The Indian economy grew at a reasonable rate during FY17-18, buoyed by consumer spending, good rains and robust FDI. While the first quarter of the year saw the impact of demonetisation settling down, in the next quarter, introduction of the landmark Goods and Services Tax (GST) brought in some uncertainties as businesses adjusted to the new regime. This did not take long, and from the third quarter onwards, signs of growth returning were evident. However, it would be prudent to note that the recent uncertainties in global trade, geopolitical uncertainty and increase in the oil price with a commensurate depreciation in the value of the Indian Rupee against the US Dollar may introduce a drag in the positive momentum for the Indian economy in the coming months.

BUSINESS PERFORMANCE AND MAJOR MILESTONES

The Company had a good performance in FY18 with Profit after Tax increasing from Rs.132.96 Crores to Rs. 213.80 Crores and Earnings per Share rising to Rs.6.40 in FY18 on consolidated basis. The Company is in a strong financial position with Cash and Cash equivalents in excess of Rs. 94 Cr and a very low debt to equity ratio at 0.05 on 31 March 2018. 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. 0.75 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 some specific initiatives that we have pursued during FY 17-18 to continue implementing this strategy

- The company has during the year commissioned 100,000 KL of Liquid capacity for chemicals and petrochemicals at Kandla.

- The liquid terminal expansion at Haldia of 25,000 KL was completed during the year 2017-18 and the Company is further expanding by adding another 35,000 KL of liquid storage capacity at Haldia, which is expected to be commissioned in the current year 2018-19.
- The Company is also building 25,000 KL of liquid capacity at Mangalore port, which is expected to be completed in F.Y 2018 – 2019.
- The LPG terminal with a storage capacity of 25,000 MT and throughput capacity of 25,00,000 MT is commissioned at Haldia Dock complex and is operating well. This is the largest LPG terminal in the Aegis portfolio.
- During the year, the Company completed expansion of its Pipavav LPG terminal from 8,100 MT to 18,300 MT, an increase of 10,200 MT.
- Over the coming two to three years will see the largest investment by your Company ever with a view to building an unrivalled national network of terminals servicing the oil, gas and chemicals industry. 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 its 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)

9th August, 2018