



AEGIS LOGISTICS LIMITED

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August 11, 2015

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 58th Annual General Meeting (AGM)

We enclose herewith the Chairman's speech delivered at the 58th Annual General Meeting (AGM) of the Members of the Company held on Tuesday, 11th August, 2015, 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
DY. GENERAL MANAGER - COMPANY SECRETARY

Encl. : a/a



CHAIRMAN'S SPEECH

“Building an Unrivalled Network of Liquid and Gas Terminals”

58th Annual General Meeting

Tuesday, August 11, 2015

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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 immense pleasure in welcoming you to the 58th 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, 2015 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 financial year 2014-15 was a mixed year for the Indian economy, with the first half held back by the uncertainties of the election and mixed signals on economic policy. With the end to the political uncertainty and a stable government in place, the Company is hopeful that the Indian economy will continue to improve and that the Government will build a business friendly environment in the years to come. Fuel subsidy rationalization has already started showing results, and coupled with the decline in oil and gas prices, the oil and gas and chemical sector is expected to show strong results during the current year. Further, the demand for fuel is growing on the back of a sustained increase in vehicle ownership and recovering industrial demand. This increase in demand leaves no other option for India but a steady increase in imports of oil, gas and chemicals, which augurs well for those companies, like Aegis, who are well positioned in the specialized infrastructure for handling these products.

BUSINESS PERFORMANCE AND MAJOR MILESTONES

The Company had a good performance in FY15 with Profit After Tax increasing from Rs. 68.68 Cr. to Rs.112.31 Cr. and Earnings per Share rising to Rs. 31.0 in FY15. The Company is in a strong financial position with Net Cash and Cash equivalents in excess of Rs. 90 Cr and a very low debt to equity ratio at 0.31 on 31 March 2015. The Board was pleased to increase the dividend from Rs.5.25 in FY 14 to a record Rs.7.5 per share in FY15 by declaring three interim dividends of Rs.2.5 each during the year. Therefore no final dividend is proposed for FY 15.

During the year, the Group entered into a strategic alliance with Itochu Corporation, by inviting them to purchase 40% of the shares of Aegis Group International Pte. Ltd, hitherto a wholly owned subsidiary which is handling the sourcing and shipping of LPG. This Joint Venture, which also extends to potential participation in new and existing LPG terminals will solidify Aegis' position in LPG logistics.

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. I would like to highlight some specific initiatives that we will pursuing during FY 15-16 to continue implementing this strategy

- The Company has been allotted 5 acres of land at Kandla Port on a 30 year lease to build a new terminal. Once constructed, this will be the fifth Port at which Aegis will have a presence. Kandla is India's busiest port located on the Gulf of Kutch on the western coast of India and is 430 nautical miles north of the Mumbai Port. The new terminal at Kandla will be complementary to the terminal at Pipavav, adding flexibility for customers.*
- The Liquid Terminal of 60,190 kl at Haldia Dock Complex has been completed and commissioned. Over the coming year, the company is expanding the same by further 25,000 kl and installing specialized liquids tankage.*
- The Company has been allotted an additional 9 acres of land at Haldia Dock Complex, on a 30 year lease. The Company intends to expand the range of products it can handle at Haldia by constructing a new terminal on this land.*
- During FY15, the Group doubled the capacity of the LPG terminal at Pipavav. Given the robust demand growth for LPG, the Group intends to increase the capacity of its LPG terminal by a further 50% to a total capacity of 8400 MT.*
- We are looking at developing a number of new greenfield terminal projects at different ports, both in gas terminals and liquid terminals. Over the coming year, we will be making a series of announcements as to the size and location of these projects. This year and 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.

- In the gas distribution business, Aegis Group has expanded its foot print across several states and cities with our autogas network at 102 stations across 6 states, with over 30 more currently in the pipeline. In view of the enormous time in getting various approvals procedural compliance, the Company has set a conservative target to achieve 125 stations in 3 years.*
- Presently we have a network of 54 Commercial/ Industrial Gas distributors for the packed gas business across 42 cities in 5 states. Our focus is to expand the “Aegis Puregas” brand into the states of Karnataka, Andhra Pradesh and Tamil Nadu states through widening the dealer/distributor network.*

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

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 and low cost housing 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

Vice Chairman & Managing Director

11th August, 2015