



F.BSE/QPA/2244
30th September, 2019

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001

Ref: **Scrip Code- 532935**

Sub: **Chairman's Speech at the Annual General Meeting held on 30.09.2019**

Dear Sir,

Enclosed herewith please find a copy of the Chairman's Speech delivered at the 49th Annual General Meeting of the Company held on Monday, 30th September, 2019.

Kindly take the same on your records.

Thanking You,

Yours faithfully,
For **ARIES AGRO LIMITED**

QAISER P. ANSARI
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: as above

CHAIRMAN'S SPEECH

Good morning and welcome to the 49th Annual General Meeting of your Company.

I take this opportunity to thank you all for making it convenient to attend this meeting.

The Annual Report, including the Audited Accounts of the Company for the year ended March 31, 2019 has been with you for sometime. With your consent, I shall take it as read.

Let me now review your Company's performance in 2018-19:

During the year under review 2018-19, the monsoon was at 91% of the LPA (Long Period Average) with drought condition in North East India. Only 2/3rd of the country received normal rainfall and 1/3rd of the country received deficient monsoon. After a good start in June 2018 at 95% of the LPA, the rainfall reduced to 76% of LPA in September 2018. This was followed by severed cold wave condition in the Rabi season and poor reservoir levels. Despite this the Company took the efforts to maintain its gross revenues However, in order to boost lifting in the second half of the year especially in Q4, additional trade discounts was offered. On standalone basis the Company's gross revenue increased marginally by 0.13% from Rs.319.89 Crores to Rs.320.31 Crores. On a consolidated basis, international sales were suspended due to non-manufacturing in UAE facilities

CAPACITY UTILIZATION

The total capacity utilization currently stands at 63% of the total installed capacity of 95,400 MT p.a. in India. During the year under review import substitutes continued due to full scale manufacturing of previously imported items at Hyderabad and Chhatral facilities

COST CONTROL

Cost control measures strengthened along with continued focus on domestic manufacturing showed increase in profitability (PAT) by 5.29%. On a consolidated basis despite the restructuring of international operations consolidated P&L showed a slight reduction in PAT in comparison with the previous Financial Year.

GLOBAL BUSINESS

Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network of Aries Products throughout Nepal.

CORPORATE SOCIAL RESPONSIBILLITY:

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in. During the year we emphasized more on higher standard of living and sustainable environment. Accordingly we had initiated two unique programmes viz. Aries greencups - an effort to introduce urban and semi urban kids to the concept of growing food which is a unique concept of soil-less cultivation taught to the students and school faculty. Aries Water Wheel is an endeavor to effectively deliver portable water over long distances particularly useful in areas where portable water is scarce.

In addition to the above, Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomist and Agricultural Research Institutions throughout the year. During the year around 10,000 knowledge dissemination activities including farmers meeting were undertaken impacting 128,217 number of farmers. These sessions were conducted by team of 116 extension officials spread across 26 states.

The Company also provided fees and scholarships to students in addition to series of awards to meritorious students. The Company's Call Centre based in Vijayawada continued to provide answers to farmers' queries on integrated nutrient management, pest management, soil health and post harvest management. The Company in coordination with Confederation of Indian Industry (CII) transported relief materials to Kerala for distribution to the flood affected people.

PROMOTING DIVERSITY:

We actively promote an equal opportunity work place across the Company. At three of our locations, we have been successful in creating a gender balanced workforce with 36 % of women at our Corporate Headquarters in Mumbai, 47% of women at our Hyderabad factory and 37% of women at our Chhatral Unit. We will continue to strive to create such work place diversity at all our locations.

RECOGNITION

Aries was felicitated by **Economic Times** as one of the "Champions of Rural Markets 2018-19" for having stood firm in the winds of globalization and having consistently served the rural market. Recognition by **Insight Success Magazine** in March 2019 in their Annual Listing of the "10 Most Recommended Agritech Companies in India" that embraces new Technology to deliver various end-to-end farm solutions on a reliable foundation of rich insights on farming. For Fourteen consecutive years Aries Quality Management System was audited and certified as NS-EN ISO 9001:2015 with zero non-compliance report showing complete adherence to international quality standards

OUTLOOK FOR 2019-20

2019 monsoons are expected to be near normal at 96% of LPA. The Company is hopeful of achieving good growth in revenues and profitability. The future of Aries, which is embarking on its golden jubilee year in 2019-20, is being charted by strengthening its focus areas. The Company continued to conduct its digital flash sale this year with "App only" bookings leading to participation of 1431Nos. of dealers/distributors from all states with a total booking of Rs.510/-crores for 2019-20 and we envisage conversion of 75 - 80% of this order.

Through its products and passion, Aries continually demonstrates that it is a responsible corporate citizen, working hard to retain the delicate balance of nature and the development of communities where it works and grows.

ACKNOWLEDGEMENT

Your Company's new initiatives could not have come about without the active involvement and support of its staff members. Our staff is aware of the challenges and has fully embraced the Company's principles. The customers have been extending their patronage and we are confident of their support for the coming year also. The Board of Directors places on record its appreciation for continued support and guidance received from the Government of India, RBI, SEBI, other Regulatory Authorities, various Financial Institutions, Banks and correspondents in India and abroad.

Before I conclude, I would like to thank the Shareholders once again for today's turnout and for their interest in the Company.

I would also like to thank each one of you personally for your confidence in Aries. Together, we will ensure that your Company grows further in the year ahead.

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