



August 18, 2022

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, 5<sup>th</sup> 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 65<sup>th</sup> Annual General Meeting (AGM)**

We enclose herewith the Chairman's speech delivered at the 65<sup>th</sup> Annual General Meeting (AGM) of the Members of the Company held on Thursday, 18<sup>th</sup> August, 2022 at 5.00 pm, through Video Conference ('VC')/ Other Audio Visual Means ('OAVM') facility.

Thanking you.

Yours faithfully,  
For AEGIS LOGISTICS LTD.

A handwritten signature in blue ink, appearing to read 'Monica Gandhi', written over a horizontal line.

MONICA GANDHI  
COMPANY SECRETARY

Encl. : a/a

**AEGIS LOGISTICS LTD.**

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Tel: 022 - 6666 3666; Fax: 022 - 6666 3777; Email: aegis@aegisindia.com; Website: aegisindia.com  
**Registered Office:** 502, 5th Floor, Skylon, G.I.D.C. Char Rasta, Vapi - 396 195, Dist. Valsad, Gujarat, India.  
CIN No: L63090GJ1956PLC001032

Dear Members of **Aegis Logistics Limited**,

Ladies and Gentlemen,

On behalf of the Board of Directors, I thank you all for your kind presence here today.

The company has made significant efforts to enable shareholders to participate in this AGM and vote on the items being considered in the meeting as per the guidance of the MCA and the SEBI.

The company's performance demonstrates excellence in its core business areas during FY 2021-22. I would like to share with you the highlights of the progress made by Aegis Group since we met in the previous AGM.

### **BUSINESS PERFORMANCE AND MAJOR MILESTONES**

The financial performance for the whole year of FY 21-22 has been outstanding with increased revenues of INR 4,631 crore versus INR 3,843 crore in the previous year, primarily as a result of higher sourcing volumes. Profit before tax rose to INR 472 crore compared to INR 433 crore in the previous year, a rise of 9% once adjusted for the effect of the ESPP, . Profit after tax for the group was INR 385 crore versus INR 347 crore in the previous year, a rise of 11% once adjusted for the effect of ESPP.

In the liquids division, revenues for FY 22 were INR 270 crore versus INR 234 crore in the previous year, constituting an approximate 15% increase from the previous year. EBITDA rose to INR 194 crore, constituting an increase of 13% from the previous year, reflecting the impact of the capacity additions at Kandla, Mangalore and Haldia. Coming to the gas terminal segments, revenues were INR 4,361 crore versus INR 3,609 crore in the previous year. The EBITDA for the year was INR 390 crore versus INR 362 crore in the previous year, a rise of 8% over the previous year.

The normalised Earnings per Share is Rs.10.19 in FY22 on consolidated basis. The company remains in a strong financial position with Cash and Cash equivalents in excess of Rs. 94 Cr and a very low debt to equity ratio of 0.03 on 31 March 2022 on a consolidated basis. We are proud to be a consistent dividend paying company.. For this reason, I am pleased to report that the board has declared a final dividend of INR 0.50 per share, subject to the approval of members at this Annual General Meeting, thus aggregating to INR 2.50 per share on the face value of Re. 1 each for the whole year, a 25% rise over the previous year.

### **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.

*Aegis's terminals are strategically located at key ports while pipelines from ports to inland demand centers are advantageous for Aegis' current and upcoming terminals.* In addition, strong customer relationships have enabled the higher utilization of the capacities of the company's terminals. By joining forces with Royal Vopak, *we aim to deliver growth over the next ten years in line with the new joint venture* and India's ambition for LPG. The Company is determined to develop key infrastructure solutions for the India's changing energy systems, while simultaneously investing in digitalization and innovation. The new partnership *envisages* servicing of customers of both companies, including national oil companies, MNC's, speciality chemical companies and traders on a pan India basis and will have access to global best practices for environmental standards, sustainability and safety. As the No. 1 player in the market, the new joint venture aims to capitalise on the necessity for additional LPG import terminals, capacity and throughput in India over the next 20 years. Further, the partnership with Royal Vopak provides Aegis with an opportunity to diversify into new areas of gas storage such as LNG and other energy projects, including renewables, in the future. I'm extremely pleased to confirm that all the formalities of forming a joint venture are now complete. The joint venture has been completed successfully and we look forward to excellent results stemming from it.

I would like to highlight the progress made by the company, including its subsidiaries, with respect to the expansions approved by the Board of Directors below:

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- We continue to see a rebound for the gas division with sourcing and distribution volumes improving and throughput remaining stable. Haldia had good volumes and Mumbai continued to operate at full capacity with all three oil companies IOC, HPCL and BPCL bringing imports.
  - The LPG rail gantry at Pipavav continued to perform well and is delivering considerable cost savings to our customers, which is in turn driving improved volumes at Pipavav. During the year, Pipavav port continued its work on making the LPG jetty compliant for handling VLGCs which when completed will further improve the competitiveness of Pipavav as an LPG logistics hub.

- The Kandla LPG terminal with a static capacity of 48,000 MT and throughput capacity of 40,00,000 MT (at full utilisation) has been completed and commissioned during the year.
- The expansion of LPG storage capacity at Pipavav by 3,800 MT over and above the existing 18,300 MT is in progress and is expected to be completed during the year.
- Through its subsidiary company Konkan Storage Systems (KOCHI) Private Limited, the company has approved an addition of 20,000 KL of bulk liquid tankage beyond the existing 51,000 KL at Kochi Port, which is expected to be completed during the year.
- During the year, The Board has approved the addition of 175,000 kilo litres of liquid storage capacity and 100,000 MT of gas storage capacity at a capital expenditure of approximately INR 1,250 Crores.
- The commercial and domestic cylinder segment -which sells to hotels, restaurants and small scale industries under the Aegis pure gas brand and to the domestic household segment under the Aegis Chota Cikander brand - was steady.
- Auto gas sales were higher with margins remaining stable and healthy. There are more fuel stations to be commissioned this year, and *there's also a good pipeline over around 60 new dealers over the next 24 months.*

### **Corporate Social Responsibility (CSR)**

The company is continuing its contribution towards overall upliftment of humanity and nation building through effective implementation of various rural development programmes *through ANARDE foundation, which is recognized as an implementing agency by the District Rural Development Agency of India and thus, has enriched lives of thousands of less privileged people.* The Company along with its subsidiaries has contributed over Rs. 5.19 Crore towards Corporate Social Responsibility for the Financial Year 2021-22 directly and through ANARDE foundation.

## **COMMITMENT TO WORLD CLASS STANDARDS**

The Group is committed to continuous improvement and to high Health, Safety and Environmental standards.

We are confident that our business will continue to surpass benchmarks and achieve new milestones while making headway into newer opportunities.

I now wish to conclude by thanking 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 a critical strength in the progress of the company.

Raj K. Chandaria  
(Chairman of the Meeting)  
18<sup>th</sup> August, 2022