



F.BSE/QPA/0161
23rd September, 2021

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 23.09.2021**

Dear Sir,

Enclosed herewith please find a copy of the Chairman's Speech delivered at the 51st Annual General Meeting of the Company held on Thursday, 23rd September, 2021.

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

AN ISO 9001 COMPANY : Quality Management System: ISO 9001: 2015 Certified

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CHAIRMAN'S SPEECH

I shall now share my views on the performance of the Company during the Financial Year ended 31st March, 2021 and its future plans.

Good evening and welcome to the 51st 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, 2021 has been with you for some time. With your consent, I shall take it as read.

The Year 2020-21 was a landmark year. Before the end of the FY 2019-20 we saw 'The Great Pandemic Pause'. Agriculture Inputs were classified as 'essential' commodities during the Covid 19 pandemic.

We took immediate steps to restart manufacturing at our various locations and units. Automation of operations in the factories for manufacturing and packaging ensured that operations could restart with limited workforce as prescribed by the Government guidelines from time to time. A core team was set up and this team ensured follow up in all regions and locations on a war footing to ensure that production and business continuity was not affected even for a single day. Occupational health and safety protocols were detailed and enforced very strictly to ensure safe and secure work environment. We introduced all required health and hygiene measures including 100% testing of factory workers using rapid test kits and contract tracing. With a forced reboot of plans, it was agility, creativity and resilience that reigned supreme. With a series of tough and timely choices, Aries evolved – stronger, versatile, spirited and vibrant we are indeed 'Aries Unstoppable'

Let me now review your Company's performance in 2020-21:

During the year under review the monsoon was at 109% of the LPA (Long Period Average). 3 out of the 4 Kharif season months received above normal rainfall viz June (107%), August (127%) and September (105%) while July recorded deficient rainfall. Even Rabi season had favourable water and weather conditions and the Company was able to perform well even in this season

On a standalone basis, the Company's gross revenue increased by 27.72% from Rs.371.50 Crores to Rs.474.50 Crores.

CAPACITY UTILIZATION

The total capacity utilization currently stands at 67.33% of the total installed capacity of 95,400 MT p.a. in India. The manufacturing unit at Fujairah, UAE began the process of installing the power connection for the machinery to manufacture our products. However, due to lockdown conditions, the commencement of production took place in September 2021. The Machines are on as we speak. Increased focus on the strengthening of the Indian manufacturing base has been extremely beneficial to improve the profitability of the Company.

COST CONTROL

Stringent cost control measures strengthened with a continued focus on domestic manufacturing showed increase in profitability (PAT) by 45.02%.

Orders received during the annual booking bazaars have assisted in better working capital management. Aries flash sales were conducted for the fourth year running in April – May 2020. On a consolidated basis, consolidated PAT showed an improvement in line with domestic business.

GLOBAL BUSINESS

International clients are located in Kenya, Nigeria, Nepal and Taiwan. Sales were booked for Kenya, Nepal and Taiwan. Registration process started in Nigeria and Bangladesh. Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network throughout Nepal. Your Company endeavours to expand export market in the coming years

CORPORATE SOCIAL RESPONSIBILITY:

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 continued to emphasize more on Covid-19 Relief Programme and create a sustainable environment. We distributed Mask, Sanitizer, Swab & Antigen Test Kits, Face Shield and Immunity boosters. Also distributed PPE kits for Hospital workers, Police in Gujarat and Lucknow. We also put up Sanitization tunnels in community market place

To mark the momentous completion of our 50th year, Aries Shubham, a mammoth national campaign was executed on our Foundation day on 27 November 2020. This included CSR activity of Annadanam which helped feed 10,988 people at 108 different locations in India and an innovative m-coupon scheme based flash sale that incentivized farmers and dealers across the nation who patronized the Aries range of products on this special occasion. A record breaking 326 farmer meetings were conducted in 20 states on a single day having an attendance of 11730 farmers. The most important element of doubling farm income through Integrated Nutrition Management using Aries products were discussed. A new record of Rs.13.07 Crores Sales and 13.59 Crores collection was also achieved as a perfect culmination to our Golden Jubilee year.

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 Agronomists and Agricultural Research Institutions throughout the year.

During the year under review with the lack of face to face contact with external stakeholders our company initiated Farmers meeting and training programs on a digital platform. The Aries social media channels Agromax – our You Tube Channel, Twitter, Instagram and Facebook feeds sprung to life. Aries Fasal Sabhas built a weekly knowledge sharing dialogue on select crops. Technical aspects of the Company's products were communicated digitally through a series of 12 Fasal Sabha sessions on various crops. An Average reach of 20,000 audience per session was recorded on Facebook application.

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 42% of women at our Corporate Headquarters in Mumbai, 40% of women at Pashamylaram factory and 33% of women at our Chhatral Unit. We will continue to strive to create such work place diversity at all our locations.

RECOGNITION

Our Jubilee year witnessed Aries being recognized as one of India's most innovative business models emerging during COVID-19 the category of 'Innovation in Customer Interface' by the Confederation of Indian Industry's Food and Agriculture center of excellence (CII-FACE), NABARD & the Ministry of Fertilizers, Government. of India. The Aries Marketing team was also declared the Asian 'Marketing Team of the Year' by the ACEF Leaders Forum and Fortune India featured Aries as 'A Brand trusted by millions of farmers'. These accolades served as a capstone to this extraordinary year of work in our Golden Jubilee.

For Sixteen consecutive years Aries Quality Management System was audited and certified as ISO 9001:2015 with zero non-compliance report showing complete adherence to international quality standards

OUTLOOK FOR 2021-22

The year 2021-22 is our 52nd year of operations and the Company continued to have robust plans for growth and expansion. This second year of Covid lockdowns has severely affected rural areas and the virus has spread far and wide into the remotest parts of the country. This, unlike last year, is affecting the movement of people to meet with customers and farmers. However, the flow of material continued uninterrupted under essential services. The Company is looking ahead to face these challenges using digital means of communication, better supply, inventory control and continuous attractive time bound trade schemes. The 2021-22 Annual Booking was once again conducted online with 1426 dealers in 22 states booking using our Booking App. In the current year we will be introducing few products in the Pesticides and Organic range and also extension of our crop specific nutrition products and also some fisheries and micronutrient complexes. Growth will be sustained during FY 2021-22

In addition, 18 Aries' products have been certified organic by UK Cert and the process of taking additional Indian Organic Certification is also under way. The manufacturing operations at Amarak Chemicals FZC, Fujairah, UAE will be fully operational in H2 of FY 2021-22

Aries is also the first Indian Company to receive DGCA License for agriculture drone operations. A 100 days Campaign called "Drone Yatra" will be launched between August and October 2021 to exhibit the accurate use of Drones for crop nutrition sprays.

The Phase III of the Hyderabad Unit for packing operations has become functional in Q2 of FY 2021-22 and Phase I of the Raipur packing and warehousing Unit will be operational in H2 of FY 2021-22.

The Company has already incorporated a wholly owned subsidiary, M/s. Mirabelle Agro Manufacturing Pvt. Ltd. whose manufacturing unit has become operational in Q2 of FY 2021-22 and the Company has commenced bulk B2B business in India and overseas. It has capacity to provide backward integration for essential Raw Material of Aries Agro Limited.

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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