

PATEL INTEGRATED LOGISTICS LIMITED

CHAIRMAN'S ADDRESS

(To be delivered by the Chairman of the 56th Annual General Meeting to be held on 27th September 2018)

Ladies and Gentlemen,

It gives me immense pleasure to welcome you all to this 56th Annual General Meeting of your Company. On behalf of Board of Directors and my colleagues, I thank you for joining us today. Your continued interest in and support for the Company is one of our greatest motivations to rise to meet the high standards you expect from us.

At the outset I would like to share with you the positive vibes on the general economic front. The transient disruptions seen in the two-successive preceding Financial Years on account of the two major initiatives – Demonetization and GST introduction have by and large smoothed out, and the economy is now moving towards a stronger platform. The Indian economy, in contrast to the rest of the world, has been relatively vibrant and stronger, emerging as the fastest growing economy in the world. The IMF expects India to grow in excess of 7.5% in coming years. The Transport and Logistics sector is the backbone of national development and a significant contributor to economic growth and prosperity. India was ranked 35th on the World Bank's Logistics Performance Index, moving up from the 54th spot in 2014. Realising the importance of the sector and to address the inefficiencies, the government has included the sector in the Harmonised Master list of Infrastructure Subsector.

Now, let me turn to the financial performance of your Company for the last financial year. Your Company posted on standalone basis the total comprehensive income of ₹.7.82 cr. for the year ended March 31, 2018 as compared to ₹.7.42 cr. for the year ended March 31, 2017. The Company observed a small drop in revenue from operations from ₹.453.95 cr. in the year ended March 31, 2017 to ₹. 423.68 cr. in the year ended March 31, 2018 due to challenging market conditions. The Net Worth stood at ₹.127.44 cr. and the EPS was ₹ 5.03. The Overall performance of your company was satisfactory and your company maintained its market share in key product categories.

Ladies and Gentlemen, now I come to the dividend proposal for the year 2018. The Board of Directors decided to recommend enhanced 7.5% (seven and half %) dividend for the year ended 31st March, 2018. The dividend payout for the year under review has been recommended after carefully considered various factors like Cash Flows, cost of servicing dividend, Company's long term objectives of growth and conservation of resources for diversification. I would eagerly look for your support to ensure that Company will achieves more than what is expected and pay higher dividend in years to come which is reflected in the current dividend payout.

Now let me share with you current focuss of your Company for the year ahead.

With our vast network across pan India, up-to-date technology and loyal work force, the Company continues to uphold its commitment towards its Customers. As always, consumer needs and requirements will be at the centre of all our endeavours and make us evaluate and challenge continuously. Changes through Innovation which suits to the fast changing business environment are something we strive to achieve and uphold.

To make our organization diversified and profitable venture in the years to come, we have strategic plans for growth of our express business and warehousing division. The construction of our new warehouse facility is ongoing at Bangalore alongwith our new Express & Distribution Hub, which will be operative by December this year. The company also has begun finalizing its Warehousing and new Express Hub operations in Chennai, which will ensure that the entire Southern Warehousing and Express Hubs will soon become operational. Benefits will surely accrue to our company in the years to come to take care of such issues. Needless to mention these efforts will result in considerable rent savings and will also lead to Revenue & Sales growth in the months / years to come. This will surely make a difference on a continuous basis which is the key to sustained growth for your company.

Going forward, the current financial year will hopefully stabilize the Indian economy, but I am sure the change will only be for the better in the times / years to come for your company. We are committed to taking on the changes head on and ensuring we can deliver in these trying times & uncertain environment. That is our endeavour & challenge which makes us want to grow with our Customers, Vendors and Employees alike.

I am quite certain the Companies capabilities to scout for opportunities and drive the business forward with confidence and resoluteness.

In conclusion, I would like to acknowledge that all these have been possible only due to the relentless and dedicated effort and hard work by the employees of the Company. I thank our Stake Holders, Customers, Associates, Bankers and Fixed Deposit Holders and look forward to their continued support as we embark on another year of growth for the Company.

We look forward to continuing our strong and enduring partnership with our stakeholders to help us achieve new milestones in the year ahead.”

Ladies and Gentlemen, I once again thank you for your presence here today and your keen wholehearted interest in the Company.
