

7TH ANNUAL GENERAL MEETING 2017-18

Chairman Speech

Dear Members,

Good morning everyone! Welcome to the 7th Annual General Meeting of your company. This is the 3rd Annual General Meeting post the company went public in April 2016. In welcoming each one of you, I have with me Mr. V.S. Manesh (Director), Mr. Fauzan Chataiwala (Director), Mr. PN Kutty (CEO), Mr. Harish (Director), Mr. Rajeev Bhavnani (CFO), Mr. Uday Soman (Statutory auditor), Mr. Suresh Babu Shankara, Independent director and Head of Audit Committee, Mr. Gajanan Ruia (Independent Director) and Mr. Narayanan Variyam (Independent Director). We also have with us our Company Secretary and Compliance officer - Ms. Anchal Gupta, Ms. Divya from Finance team and representatives from Big share services Pvt. Ltd, Registrar and transfer agents for the company. I would like to inform the members that Ms. Geeta Canabar, Practicing Company Secretary has been appointed as the scrutinizer for this AGM and she is here along-with us.

I understand from our company secretary that the requisite quorum for this AGM is present and hence I call this meeting to be in order. The notice convening this meeting along with the Balance Sheet, Profit and Loss Account & the Independent Auditors report for the Financial year ended 31 March 2018 has already been sent to all members well in advance and with your permission I consider this as read.

As we are all assembled here, I would like to take you all quickly through the year passed by, what we set out to achieve, what we have achieved and also share with you future plans for the company. When we got listed on the SME board of the BSE we had set for ourselves a target to migrate to the main board in 2 years' time. I am happy to inform members that in line with our plans, the securities your company has been migrated from the SME board to the Main board with effect from May 2018. This would improve liquidity in the stock, provide more visibility to your company and most importantly attract the attention of other investor community as well. Members would also recollect that during the year the company issued bonus shares in the ratio of 3:5 rewarding the members for their support and faith.

I now move to the performance of the company for the year ended 31 March 2018. We had set for ourselves an ambitious target to cross the Rs. 100 crore turnover in this financial year and I am happy to say that we have been able to achieve what we set for ourselves. During the year under review, your company crossed total revenue of Rs. 100 crores (Actuals for the year at Rs. 110.71 crores) - a growth of 40% over the previous year. While we have grown the revenues, your company has remained focused on ensuring improvement in margins. During the year your company recorded a Profit after tax of Rs.6.85 crores - a PAT margin of 6.2% against the PAT margins of 2.2% achieved in the previous year. The improvement in margins have been achieved against the backdrop of a reduction in the cost of services thus bettering the Gross margins, reducing finance cost and other costs.

Before I get to the plans and initiatives of the company for the future, it will be worth noting the government's views on the sector and keep an eye on what's happening externally. During the year under review the government introduced the Goods and Service Tax (GST) which subsumed most of the Indirect taxes (mostly Service tax and to some extent VAT in the case of your company). Your company has obtained the required registrations under the new regulatory regime. Infrastructure led growth is being promoted in a big manner. In the economic survey 2018, it has been noted that the country's logistics industry which is worth around USD 160 billion is likely to touch USD 215 billion in the next two years with the implementation of GST. As per the survey, the Indian logistics industry provides employment to more than 22 million people. Realizing the importance of the sector, the government has included the sector in the Harmonized Master List of Infrastructure Subsector. Inclusion of logistics sector in the Harmonized Master List of Infrastructure Subsector will benefit the sector in many ways. It will be helpful in facilitating the credit flow into the sector with longer tenures and reasonable interest rates, it said adding the infrastructure status will simplify the process of approval for construction of multi modal logistics (parks) facilities that includes both storage and transport infrastructure.

It will encourage market accountability through regulatory authority and will attract investments from debt and pension funds into recognized projects. By recognizing the importance of the sector, a new logistics division has been created in the Department of Commerce to develop and coordinate integrated development of the

industry, improvement in existing procedures, identification of bottlenecks and gaps, and introduction of technology-based interventions in this sector, the survey said. Improving logistics sector has huge implication on exports. Apart from increasing trade, better performance in logistics will augment programmes like Make in India, and also enable India to become an important part of the global supply chain. With this I am sure members surely appreciate the size of the opportunity and the importance of the sector to the economy in which your company operates.

In true spirit your company remains bullish on the future and has ambitious plans to capture the above opportunities and have already commenced the execution of these plans and am happy to take you through each of them. (1) Towards the second half of the previous financial year (in Sept 2017) we had started LCL consolidation on pilot basis and must say that we are happy with the feedback from the market. We have now started the LCL consolidation on full-fledged basis at Delhi and Mumbai locations. We have set up this business as a separate vertical within the company with a team size of 10 experienced employees headed by a business lead to facilitate better monitoring of the progress made and to ramp up the business. (2) I am also happy to announce that we have launched a new product - Break bulk cargo services. This is a service for heavy and big size cargo which can be carried by chartering a vessel as and when needed. We would tie up with Vessel owners for a voyage where we wish to deliver the cargo. Here also we have hired experienced resources to lead our efforts and look forward towards a successful commercialization (3) I am also happy to announce the launch of Freight forwarding business on full-fledged basis in the locations of Delhi and Mumbai. (4) New Business Opportunities: I am happy to inform you that your company is exploring a couple of potential new areas of business within the logistics space - first one being Cold Storage warehousing and second one being Reefer container services. On cold Storage warehousing while this proposal is at a very nascent stage, I am glad to inform that we have commenced meeting up with players in the market to size up the business opportunity and feasibility. Towards this effort we had given advertisements in the newspapers seeking proposals and have met up with a few interested parties / consultants / contractors. With respect to Reefer containers, also known as Refrigerated containers - Here also we are meeting with suppliers and doing market study to evaluate the depth of the opportunity. We are also screening the market for suitable

talent. (5) New locations: While traditionally we have been focusing our efforts on the Middle East, Far East, Upper Gulf regions, we are now looking at new locations. Towards this we have appointed agents at Busan and Incheon in South Korea, Manila in Philippines, Haiphong and Ho Chi Minh in Vietnam to understand the market and get a sense of the opportunity size. (6) Agency business: We are also exploring the possibility of taking up agency business. (7) During the year ended FY2018, we added approximately 1500 containers and am happy to announce that in the approx. 6 months ended till date we have added another 1100 containers. (8) New ERP system: Technology remains the backbone of the service delivery and it's important to have the latest platform to remain competitive. We are rolling out a state of the art ERP system from EBMS software system, which is the latest platform used by larger players in the market. (9) To house our expanding operations we have acquired this new office which is forward looking in terms of space and ability to house the expanding operations. Our teams led by competent and experienced people are toiling hard on each of the above initiatives and to take the company forward. I look forward towards your continued support and faith in the growth journey of the company as we march ahead.

I now draw your attention to the resolutions stated in the Notice and I call upon the members to exercise their poll. The poll papers are already circulated to the members. The ballot box is placed on the table. Kindly drop your ballot papers in the ballot box.

Thank you!

I take this opportunity to thank each of the members, our customers, our employees our suppliers and the bankers for the continued faith placed in the company. Thank you for your attention and am happy to take questions if any.