



F. NSE/QPA/2662
29th September, 2011

Listing Department
National Stock Exchange of India Ltd.
'Exchange Plaza'
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051.

Fax No. 26598237/38, 26598347/48

Ref: Scrip Code: ARIES

Sub: Chairman's Speech at the AGM held on 29.09.2011

Dear Sir,

This is to inform the Exchange that the 41st Annual General Meeting of the Company was held today i.e. Thursday, 29th September, 2011 at 10.00 a.m.

Enclosed is the Chairman's Speech which was delivered at the AGM.

This is for your information.

Thanking You,

Yours faithfully,
For **ARIES AGRO LIMITED**

A handwritten signature in blue ink, appearing to read 'Qaiser P. Ansari'.



Qaiser P. Ansari
Company Secretary & Compliance Officer

CHAIRMAN'S SPEECH

Good morning and welcome to the 41st 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, 2011 has been with you for sometime. With your consent, I shall take it as read.

2010-11 was a year of contrast in the Agri business sector with delayed and excessive rains not only in the Kharif (summer) season but also in the Rabi (winter) season with added effect of floods or deficient rains in certain pockets. The seasons were extremely erratic with delayed starts and they extended way beyond normal periods. This caused pressure on inventories. The political instability in East India and in Andhra Pradesh caused some disruptions in normal operations

Let me begin by first reviewing your Company's performance in 2010-11 :

Your Company has been working steadily in reducing its rainfall dependence in order to mitigate the environmental risks. Despite the uncertainty in environmental factors, your Company achieved revenue growth of 13% over the previous financial year. The sales revenue grew in all states with the exception of Uttar Pradesh and Punjab. It is also noteworthy that international business increased by 64% and now constitutes 28% of the total revenue of the Aries Group.

Your Company's future growth shall be driven by international sales, institutional business in India, entering new markets in India and increasing the depth of our product portfolio. Your Company continues to invest heavily on brand promotion and extension activities, which creates demand for the extensive product range across all markets.

RISING COSTS

The rising costs of raw materials, processing costs, fuel and interest rates are a major source of concern. All these have impacted your Company during the entire financial year. Inflationary pressures on all counts have compelled your Company to raise quarterly prices for its entire range of products and we have already increased prices significantly over the previous year. Though a portion of the cost increase has been passed on to the market, your Company is still absorbing some of the cost escalations in the interest of sustaining demand for some key brands. It is expected that raw materials, fuel prices and interest costs will continue to rise during the entire year 2011-12.

To offset part of the cost escalations which is unmet with the price increase, your Company is resorting to stringent monitoring of all costs across all areas of production and administration at all cost centers.

NEW PRODUCTS

Your Company will be adding additional 10 products during the year 2011-12 including 1 Soil Conditioner, 4 Specialty Plant Nutrients, 2 Plant Protection Chemicals, 1 Plant Hormone and 2 products specifically for Apple and Stone Fruits. This will add to the revenue growth potential. In addition, the sales and extension activities will be scaled up significantly with specific targets assigned to all group leaders with regard to farmers meetings, demonstrations, field trials, dealers' training, staff training and other related demand creation activities.

Expanding our product range of environmentally sensitive products, Aries has introduced for the first time in India, a range of 4 bio-degradable chelates which ensure residue free crops within 15 days from application. This is a technology that your Company has pioneered in India and has been extremely well received by farmers in the horticultural sector. Your Company has also introduced 5 products which are natural amino acid based chelates, which use soya protein as a natural chelating agent. This zero chemical

For **ARIES AGRO LIMITED**



QAISER E. ANSARI
COMPANY SECRETARY

product provides cost effective plant nutrition to farmers and has also been well received. The addition of these products to our portfolio of plant nutrient solutions demonstrates our firm commitment to providing safe and inert nutrition sources for agriculture which are not harmful in any way and leave no residues on application.

INFLUENCER RELATIONS

During the year your Company was represented at various industry bodies including Confederation of Indian Industry's Agricultural Council, Confederation of Indian Industry's Innovation Council, Indian Micro-Fertilizers Manufacturers Association (IMMA) and Fertilizer Association of India (FAI). At these forums, the Company advocated that balanced plant nutrition being recognized as a national imperative. It has also conducted various sessions with key influencers to promote the systematic spread of world class farmers' education and skilling programmes. Your Company believes that the spread of knowledge is an essential part of its responsibility towards society development and nation building.

COMPANY'S BUSINESS PERFORMANCE / FINANCIAL HIGHLIGHTS

During the year under review the Turn Over for the year was Rs. 15,825.75 Lakhs as against Rs. 13,974.61 Lakhs in the previous year reflecting a growth of 13.25 %. The earnings before Interest, Depreciation and Tax was Rs. 3,662.33 compared to Rs 2,921.57 Lakhs in the previous year. As at March' 2011, the Gross Fixed Asset was Rs. 4,207.93 compared to Rs. 4,060.74 Lakhs in the previous year. Profit after tax for the year was Rs. 1,471.80 compared to Rs. 1,256.03 Lakhs in the previous year.

OUTLOOK FOR 2011-12

The 2011 monsoons commenced about a week early, however, there was a significant break and a dry spell during almost all of June 2011. This has once again delayed the Kharif season. However, July rains have been on track and all major markets have received rainfall. Should the trend continue, prospects for the Kharif season and consequent harvest looks positive.

ACKNOWLEDGEMENT

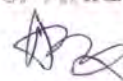
Your Company's new initiatives could not have come about without the active involvement and support of its staff members. Our staff is aware of the challenges and has fully embraced the Company's principles. The customers have been extending their patronage and we are confident of their support for the 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.

To round off, I would like to thank the Shareholders once again for their large 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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For ARIES AGRO LIMITED



KAISER P. ANSARI
COMPANY SECRETARY