

# Aegis Logistics Limited

“Positioned for growth”

## Investor Presentation

July 2019

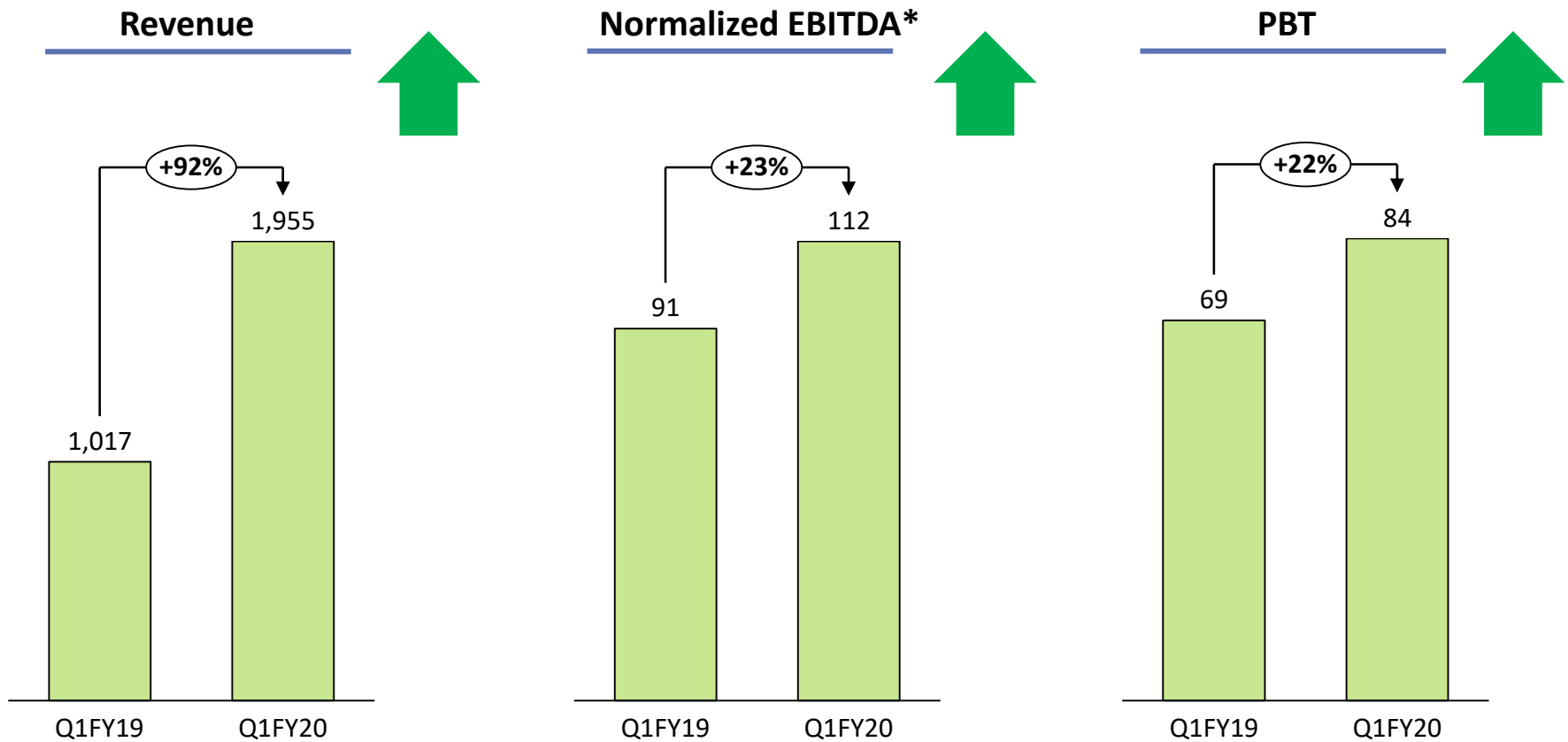


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# Strong Performance Continues



\* Normalized EBITDA – Before Forex, Hedging Related Expenses

Financials are per IndAS; Rs. In Cr

# Kandla Port – New LPG Project

## Gas Division

### Static Capacity

- 45,000 MT – 2 Fully Refrigerated Tanks of 22,500 MT each

### Throughput Capacity

- 4,000,000 MT at full utilization

### Pipeline grid at Kandla Port

- JLPL Pipeline and proposed KGPL line

### Project Completion Date

- H1 FY21

### Project Cost

- Rs 350 crs

### Financing Options

- Internal Accruals & Debt



**On-Schedule**

# Pipavav Port - Brownfield Capacity Expansion for LPG



## ✓ Static Capacity

- Existing: 18,300 MT
- Additional: 3,800 MT

## ✓ Railway Gantry for LPG

## ✓ Throughput Capacity at full utilization

- Existing: ~14,00,000 MT
- Additional: ~2,00,000 MT

## ✓ Project Cost

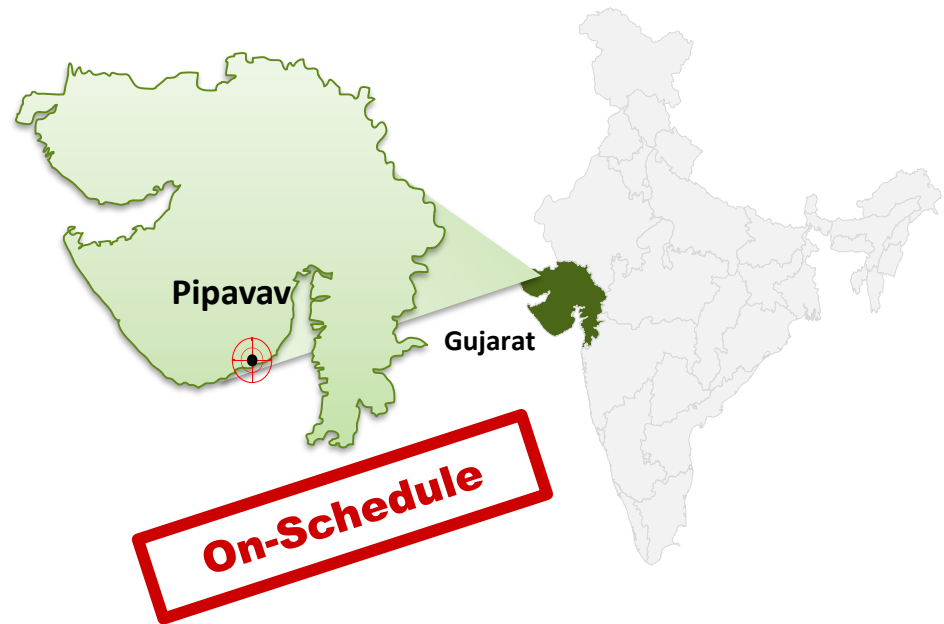
- Rs 75 crs

## ✓ Means of Finance

- Internal Accruals

## ✓ Project Completed

- FY21



***Throughput volumes for LPG handled in Pipavav  
expected to grow***

***through***

***existing and new customer relationships***

# Kandla Port – Expansion of Liquid Capacity

## Liquid Division

### Capacity

- 40,000 KL

### Project Cost

- Rs 25 crs

### Financing

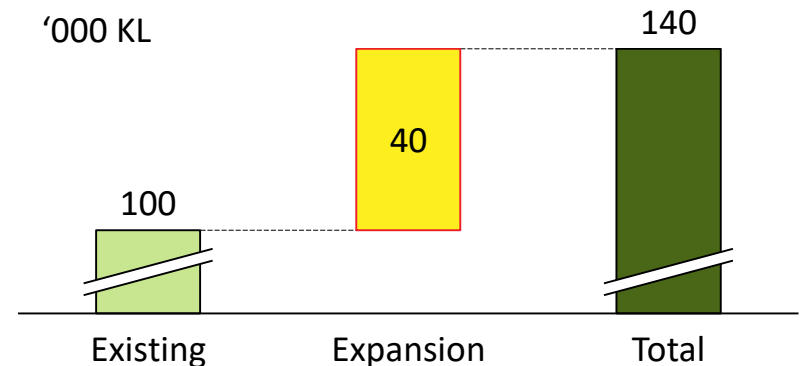
- Internal Accruals

### Project Completion Date

- H2 FY20



## Liquid Capacity at Kandla



# Kochi Port – Expansion of Liquid Capacity

## Liquid Division

### Capacity

- 20,000 KL

### Project Cost

- Rs 15 crs

### Financing

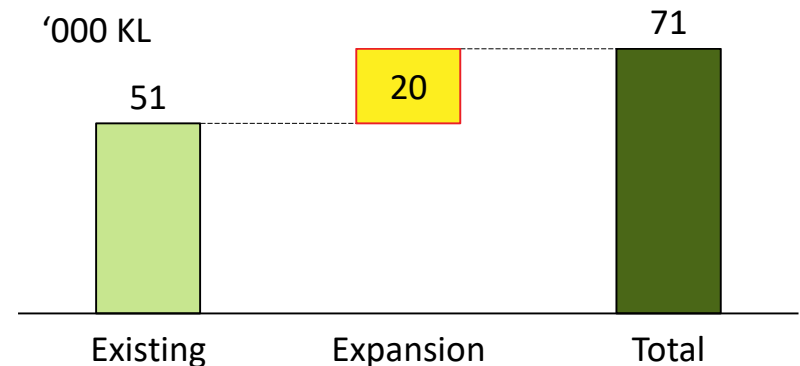
- Internal Accruals

### Project Completion Date

- Q4 FY20



## Liquid Capacity at Kochi



# Mangalore Port – Expansion of Liquid Capacity

## Liquid Division

### Capacity

- 50,000 KL

### Project Cost

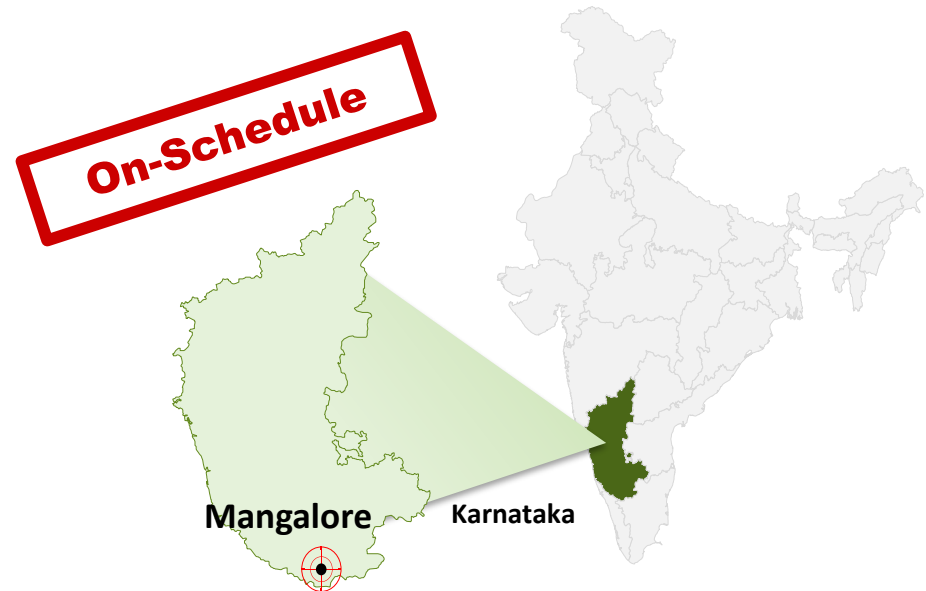
- Rs 35 crs

### Financing

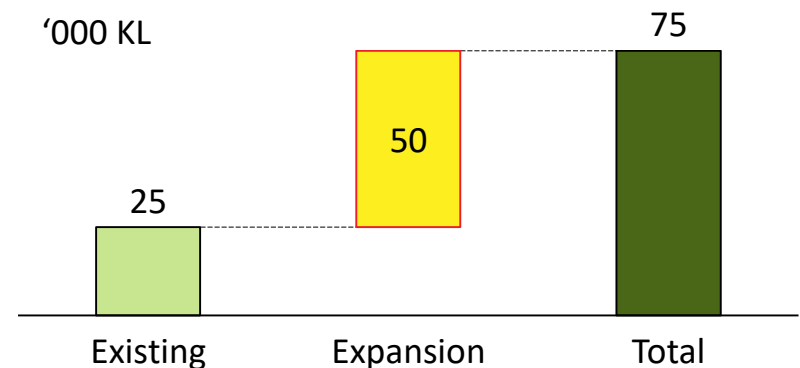
- Internal Accruals

### Project Completion Date

- FY21



## Liquid Capacity at Mangalore





# Current Business Break-up

## Liquid Division

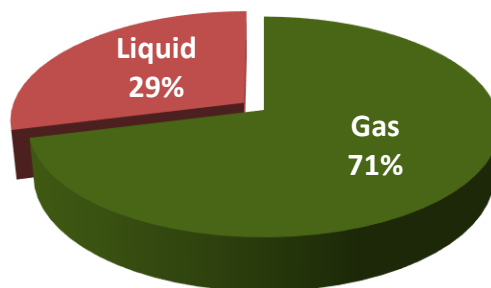
### ▪ Business

- Third Party Liquid Logistics (3PL)
- O&M Services

### ▪ Revenue Model

- Fee based Revenue Model
- Handling and Other Service Charges
- O&M fees

**Q1 FY20 EBITDA**  
**Rs. 112 Cr**



## Gas Division

### ▪ Business

- Third Party Gas Logistics (3PL)
- Auto Gas Retailing and Packed LPG Cylinders for Commercial segment
- Industrial Gas Distribution
- Marine Products Distribution (Bunkering)
- Gas Sourcing

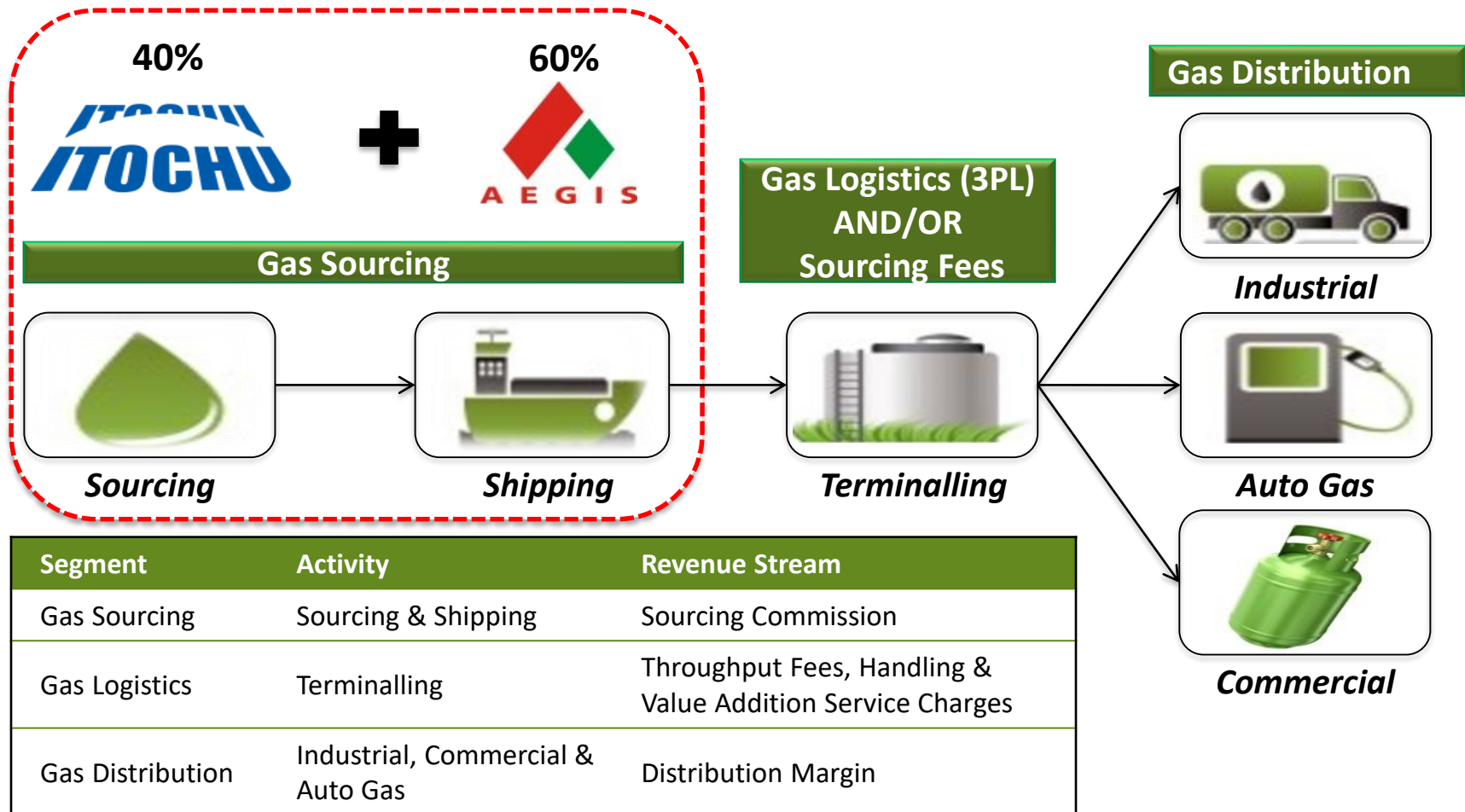
### ▪ Revenue Model

- Fee based Revenue Model for Gas Logistics
- Fees for Sourcing Business
- Retail Margin for Gas Distribution
- Handling and Other Service Charges



## Gas Logistics

# Gas Logistics - Capturing Complete Value Chain

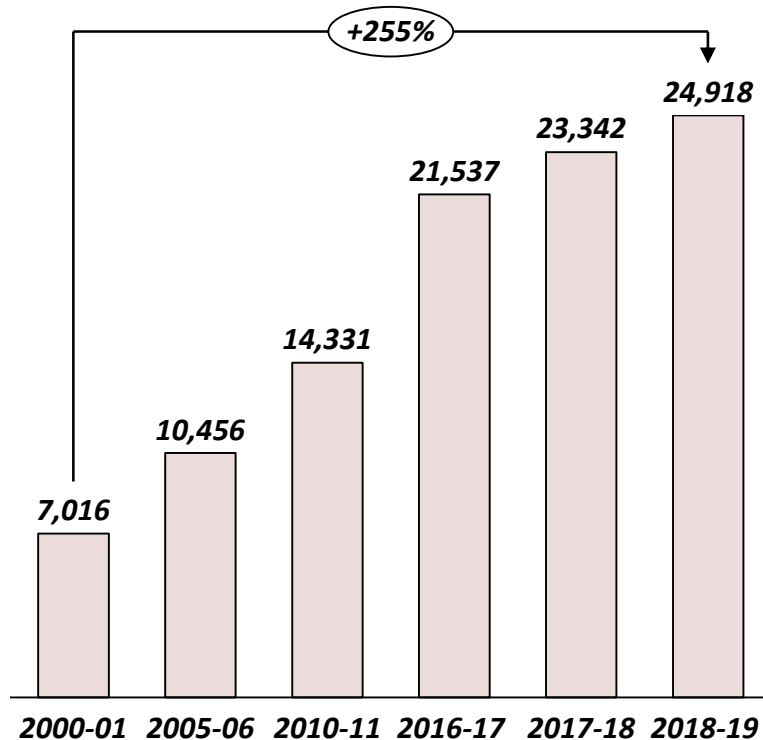


**Creating 'Leading LPG Sourcing Player in India' through Vertical Integration Strategy**

# Demand Supply Gap exists for LPG in India...

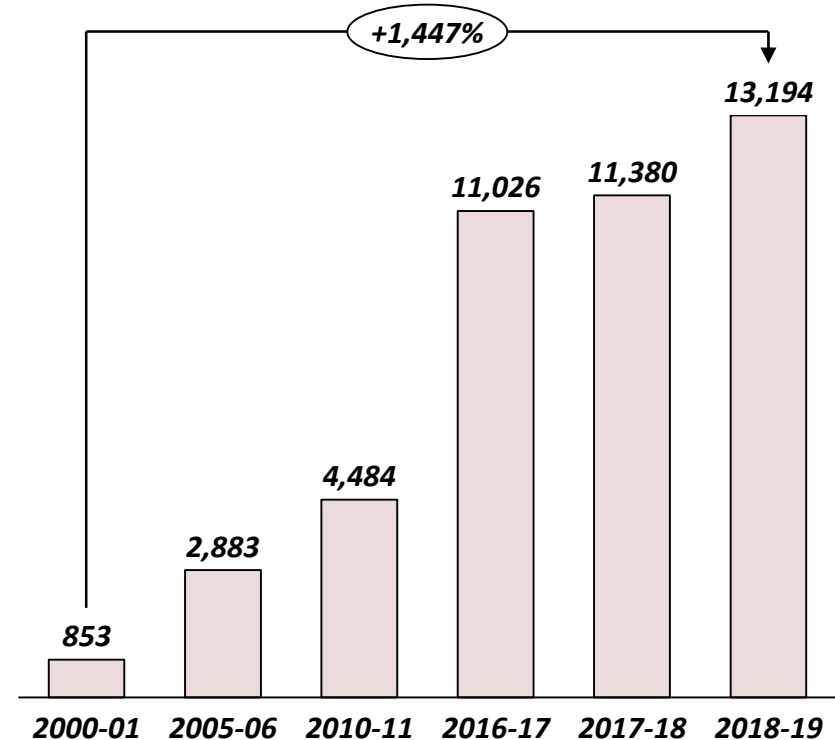
## Consumption of LPG in India

'000 MT



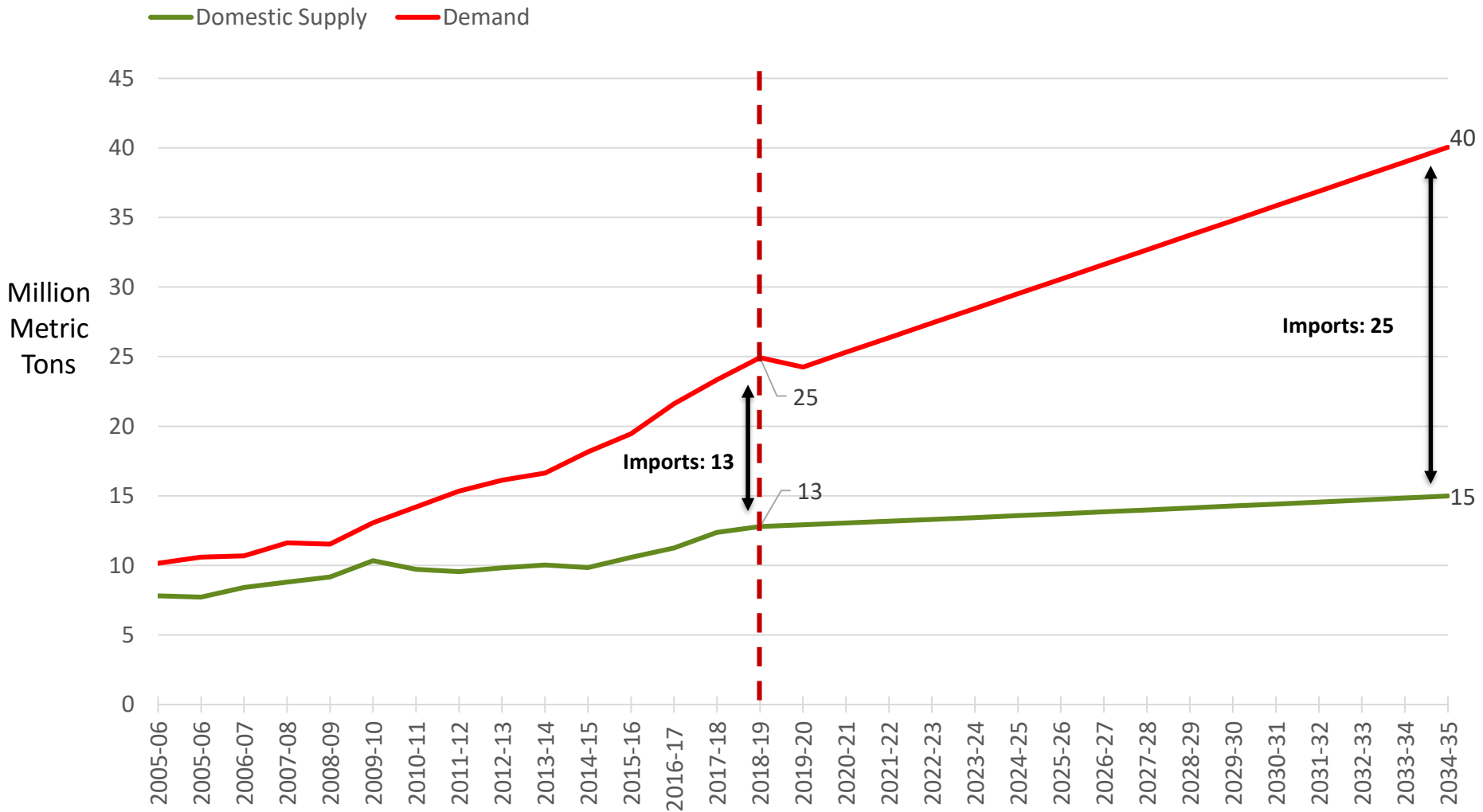
## Imports of LPG in India

'000 MT



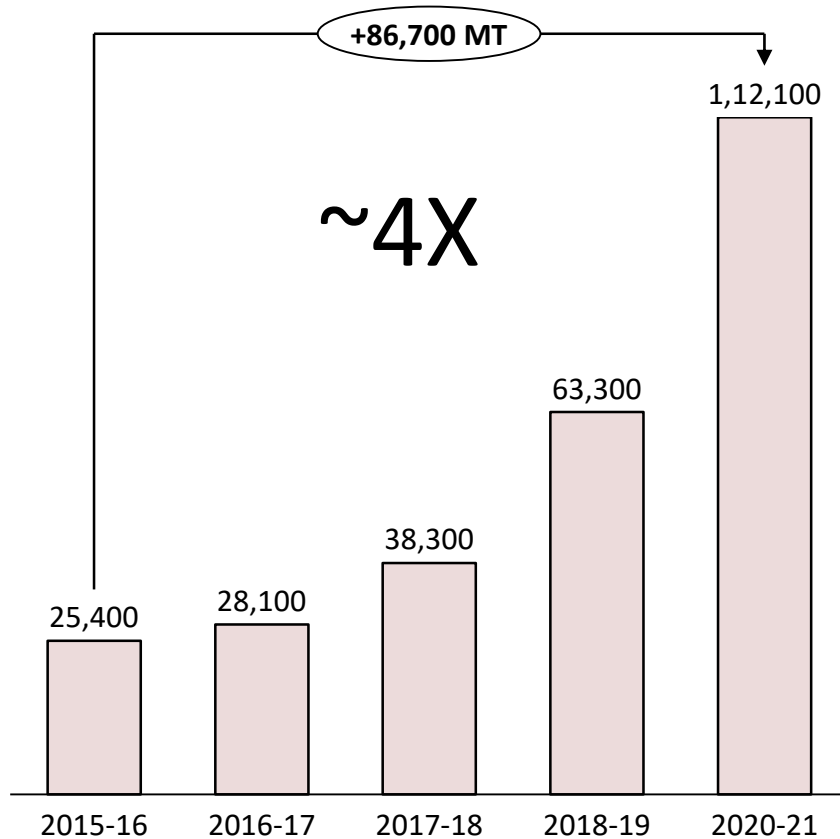
Incremental Demand in LPG met through Imports

# ...Increasing LPG imports will need Terminal Capacity

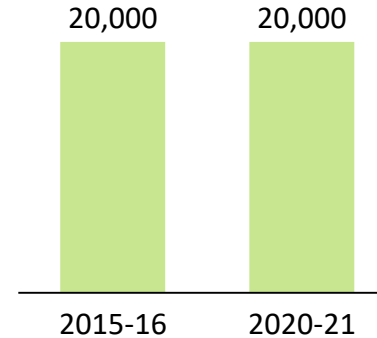


# LPG Static Capacity Post Expansion

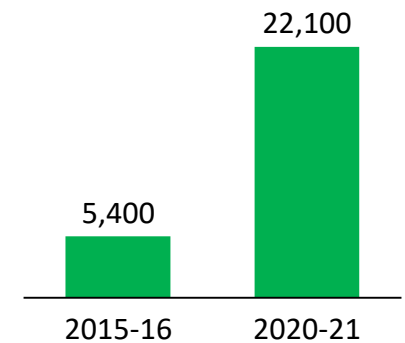
## Static Capacity MT



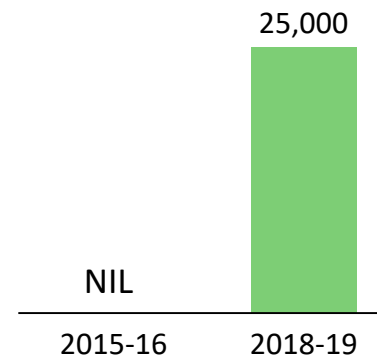
## Mumbai



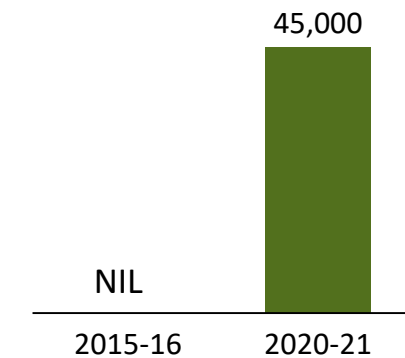
## Pipavav



## Haldia

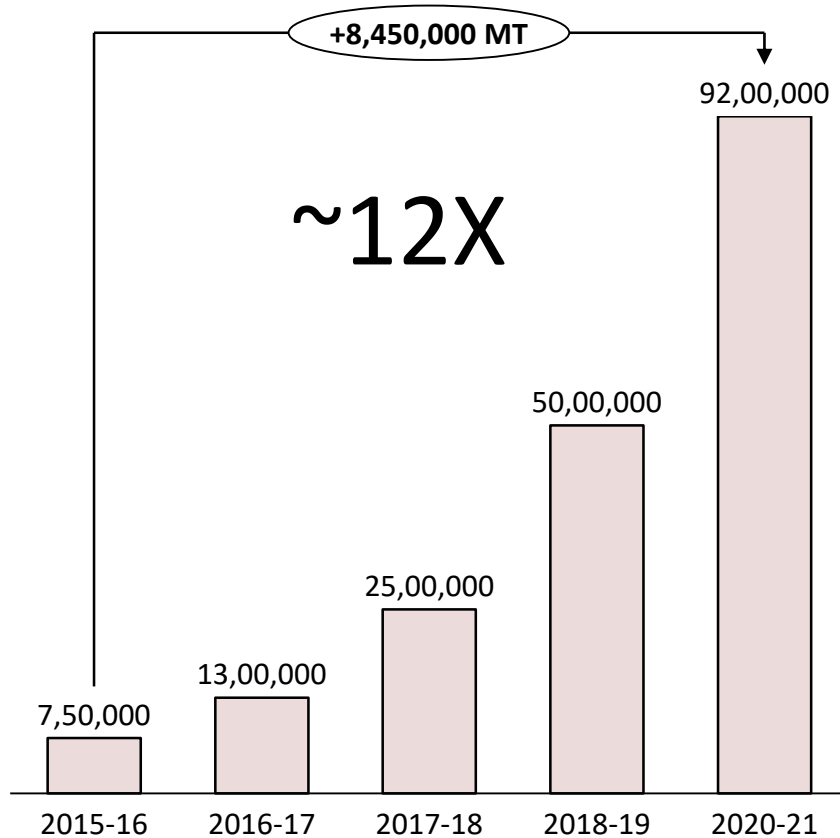


## Kandla

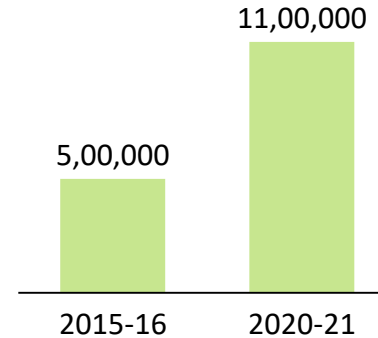


# LPG Throughput Capacity Post Expansion

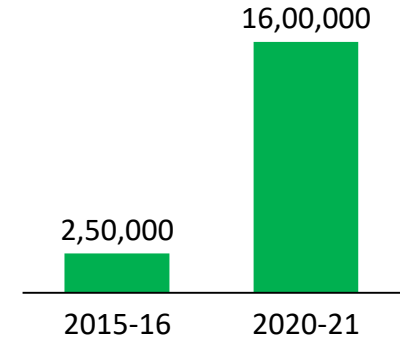
## Throughput Capacity MT



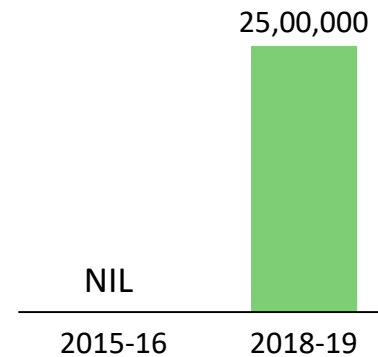
## Mumbai



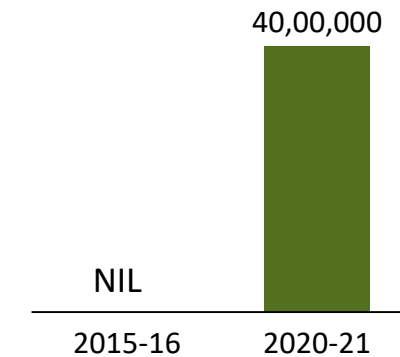
## Pipavav



## Haldia



## Kandla



# Greenfield Capacity Expansion at Haldia

- ✓ **Static Capacity**
  - 25,000 MT – 2 Fully Refrigerated Tanks of 12,500 MT each
  - 24 carousel (Filling Points) bottling plant
- ✓ **Throughput Capacity**
  - 2,500,000 MT at full utilization
- ✓ **Project Cost**
  - Rs 250 crs – LPG Terminal
  - Rs. 25 crs – LPG Bottling Plant
- ✓ **Means of Finance**
  - Internal Accruals
- ✓ **Project Completed**
  - Q3 FY17-18
- ✓ **Pipeline Connectivity**
  - Paradip -Durgapur Pipeline passes through Haldia



***Signed 20 years of MOU with  
a Large PSU as Anchor Customer  
at the Current Market Throughput Rates***



# Debottlenecking of LPG Terminals at Mumbai

- ✓ **Static Capacity to remain same**
  - 20,000 MT
- ✓ **Throughput Capacity**
  - 1,100,000 MT (incremental 400,000 MT)
- ✓ **Project Cost**
  - Rs 15 crs
- ✓ **Means of Finance**
  - Internal Accruals
- ✓ **Project Completed**
  - Q3 FY17-18
- ✓ **Pipeline Connectivity**
  - Uran – Chakan / Shikrapur LPG Pipeline passes through Mumbai



## ***Project Status:***

- Intake Pumps - Completed
- Internal Pipeline – Completed
- Connectivity of Mumbai Terminal to Uran – Chakan Pipeline Grid – Completed

# Our Gas Distribution Network

## B2C



- **Auto Gas Retailing:** Distribute LPG as Auto Fuel through Gas Station Network
- 113 Auto Gas Stations across 7 States

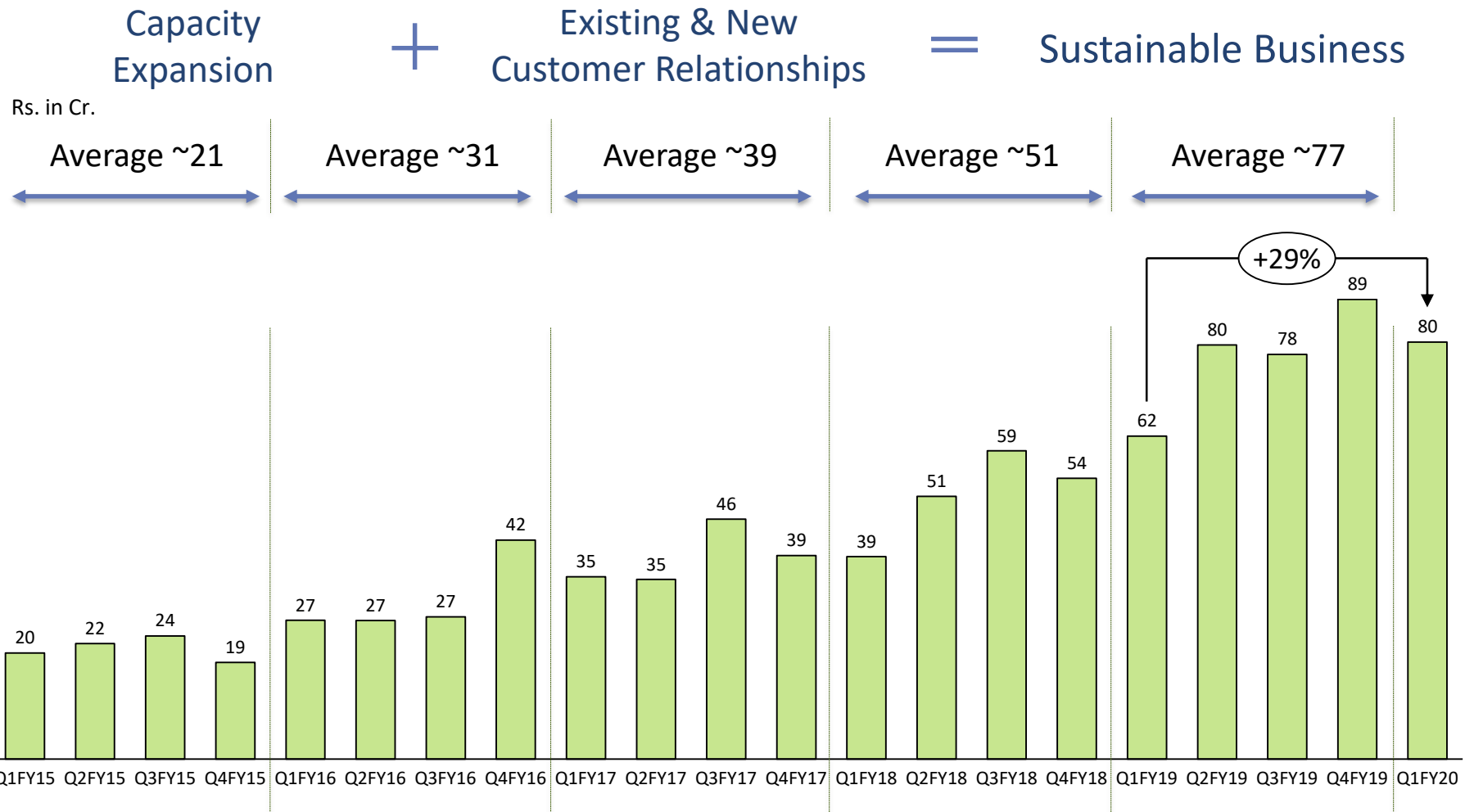
## B2B

- **Bulk Industrial Distribution:** Distribute LPG through road tankers to Auto, Steel, Ceramic Industries etc



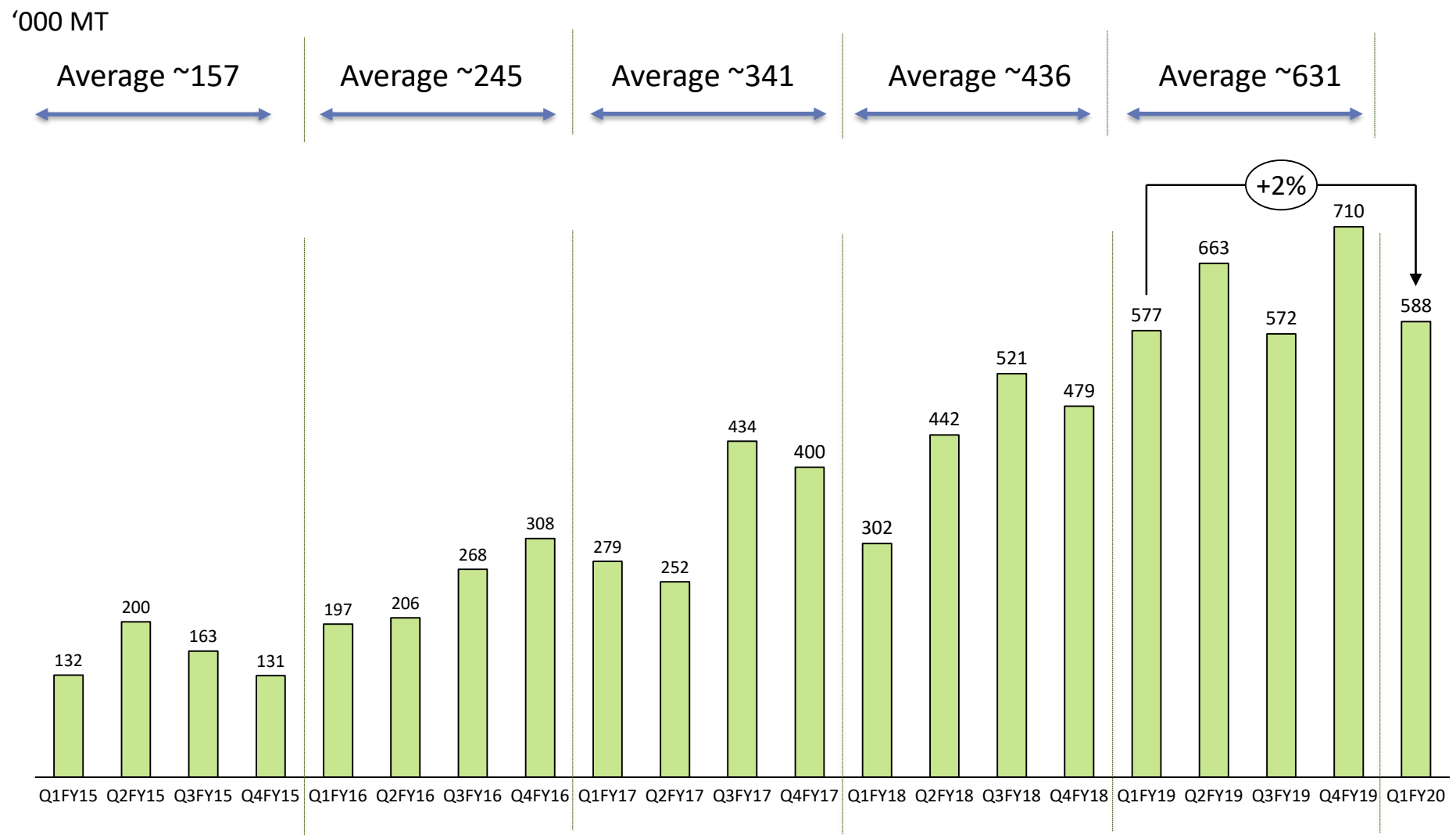
- **Commercial LPG:** Distribute Packed Cylinders for Commercial and Industrial users
- 145 Commercial Distributors spread across 52 Cities in 8 states

# Gas Division Performance EBITDA\*



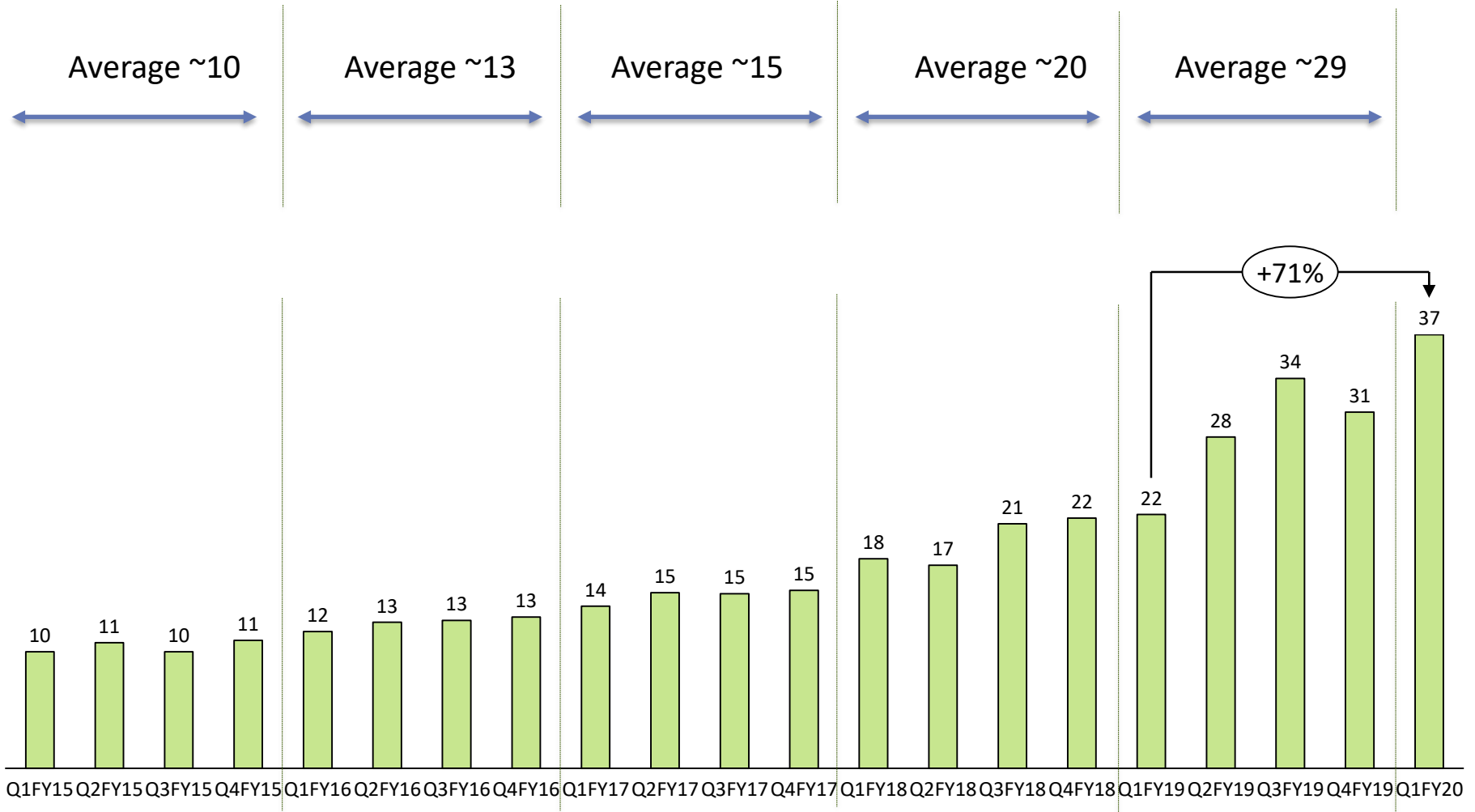
\* Normalized EBITDA – Before Forex, Hedging Related Expenses

# LPG Volume - Logistics



# LPG Volume - Distribution

'000 MT





## Liquid Logistics

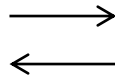
# Liquid Logistics and EPC Services

## Liquid Logistics (3PL)

## O&M Services



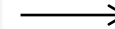
***Shipping***



***Logistics***



***O&M***

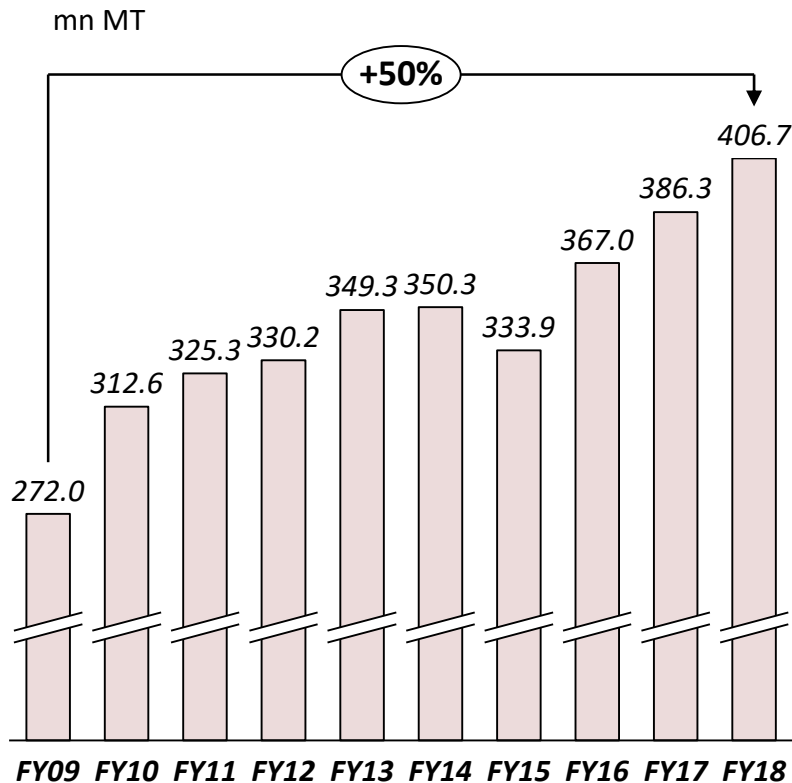


***Facilities***

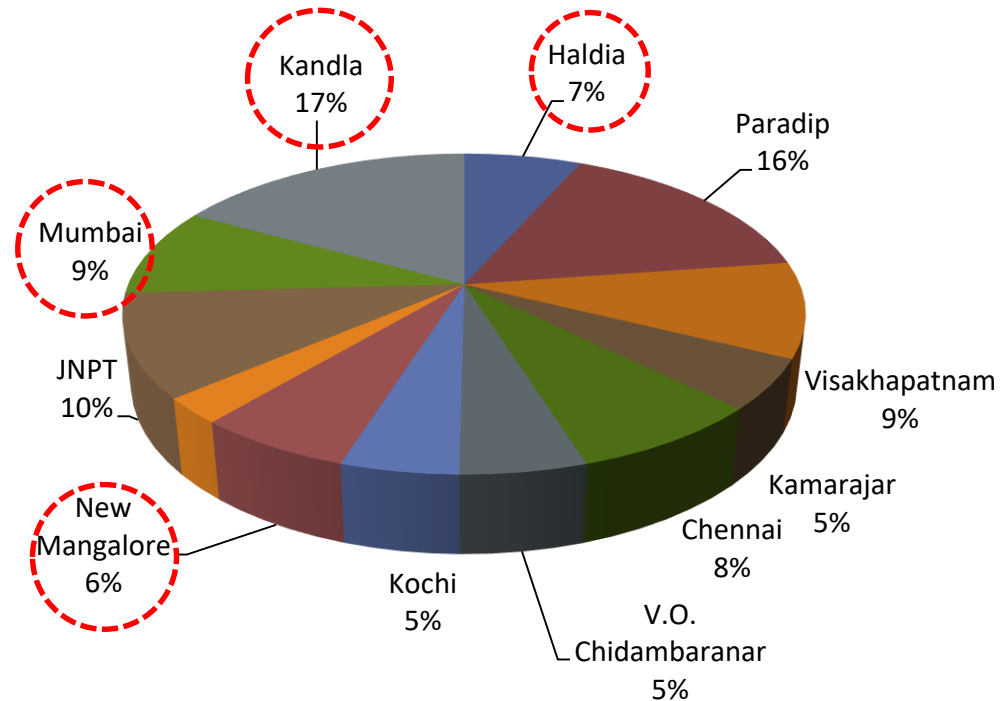
Segment	Activity	Revenue Stream
Liquid Logistics	Logistics	Throughput Fees, Handling & Value Addition Charges
O&M Services	Operations & Maintenance	O&M Fees

# Liquid\* Traffic at Indian Ports

## POL Traffic Growth at Indian Ports



## POL Traffic at Major Ports\*



**Mumbai, Kochi, Haldia, Kandla and Mangalore handle ~70% of the traffic at Major Ports**

Liquid – Excludes Chemicals

Source: Indian Ports Association

\* During April – Mar 19



# Greenfield Liquid Terminal Expansion

## Greenfield Liquid Terminal Expansion at Kandla Port – 100,000 KL



### ✓ Project Cost

- Rs 75 crs

### ✓ Means of Finance

- Internal Accruals

### ✓ Project Completion Date

- FY17-18

## Greenfield Liquid Terminal Expansion at Mangalore Port – 25,000 KL



### ✓ Project Cost

- Rs 18 crs

### ✓ Means of Finance

- Internal Accruals

### ✓ Project Completion Date

- H1 FY19

# Brownfield Liquid Terminal Expansion

## Liquid Terminal Expansion at Haldia Port – 35,000 KL



**Phase II**  
**35,000 KL**

**Project Cost**  
▪ Rs 35 crs

**Means of Finance**  
▪ Internal Accruals

**Project Completion Date**  
▪ H1 FY18 - 19

# Liquid Capacity Post Expansion

## 01 Mumbai

- ✓ Existing – 273,000 KL

## 02 Kochi

- ✓ Existing – 51,000 KL
- ✓ Expansion – 20,000 KL

## 03 Haldia

- ✓ Existing – 120,190 KL

## 04 Pipavav

- ✓ Existing – 120,120 KL

## 05 Kandla

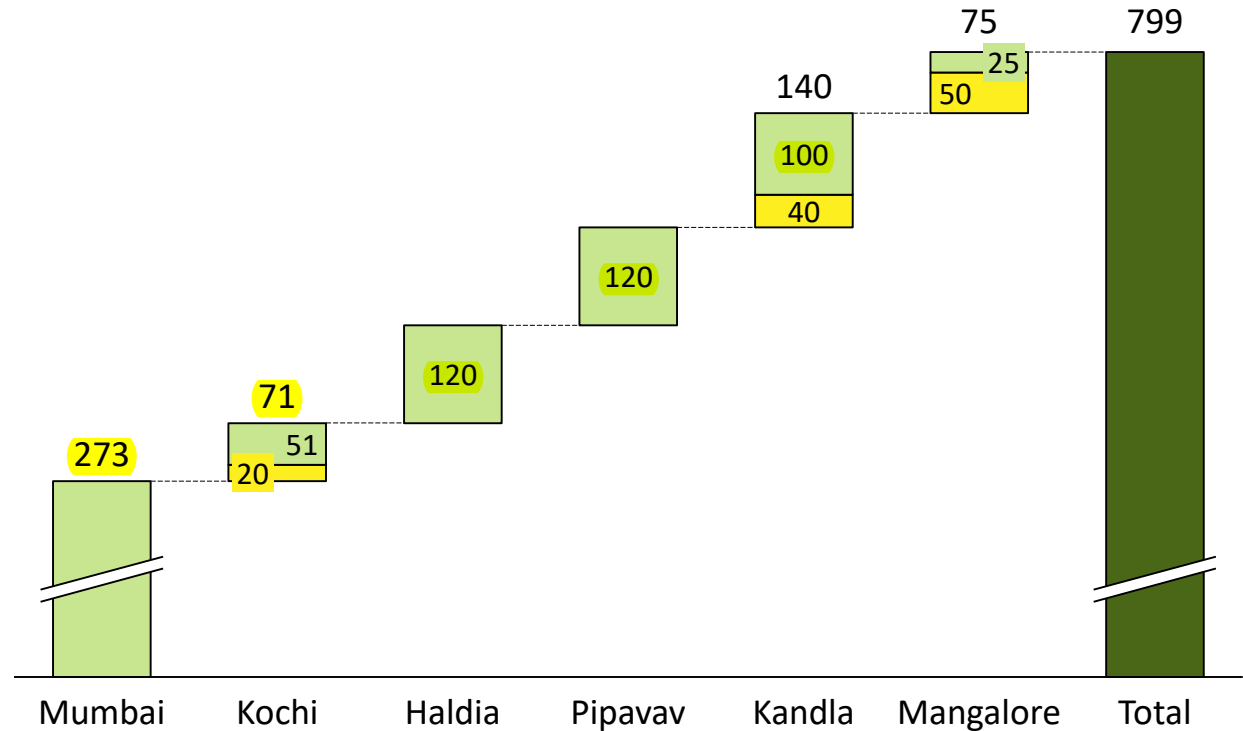
- ✓ Existing – 100,000 KL
- ✓ Expansion – 40,000 KL

## 06 Mangalore

- ✓ Existing – 25,000 KL
- ✓ Expansion – 50,000 KL

### Built up of Capacities ('000s KL)

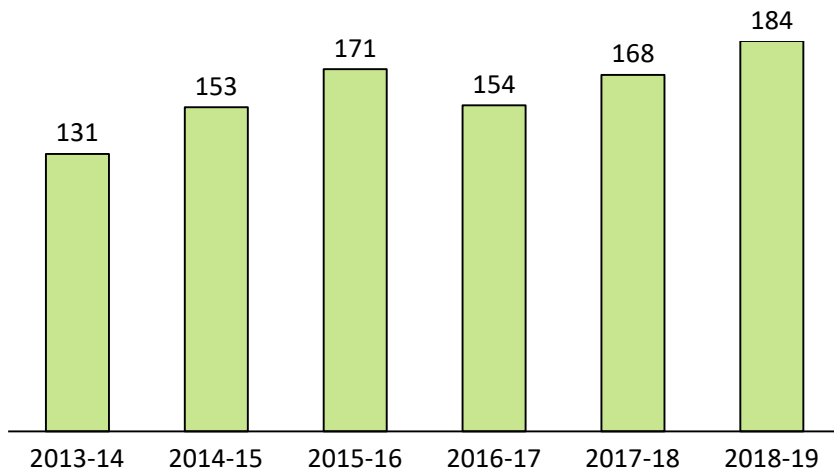
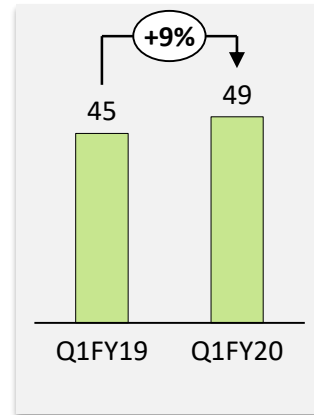
Existing Proposed



Total Capacity post expansion at Kandla: ~ 799,000 KL

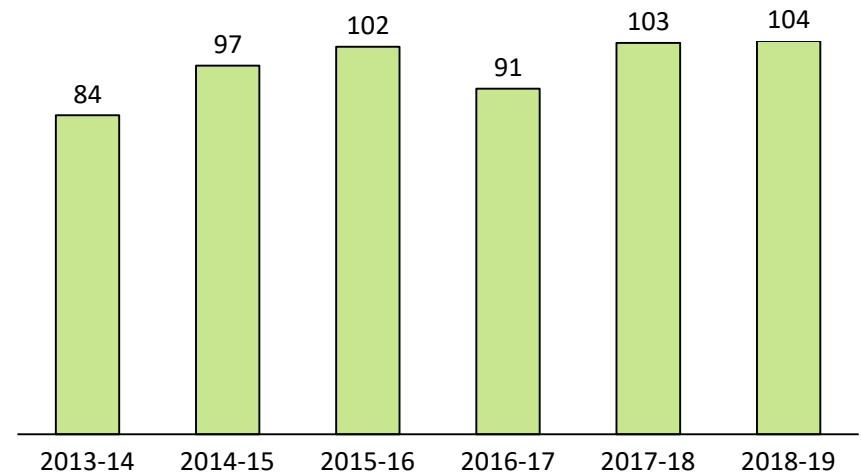
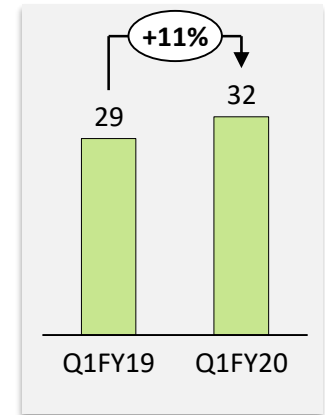
# Liquid Division Performance

## Revenue (Rs. In Cr.)



## Normalized EBITDA (Rs. In Cr.)

- New Capacities fully operational
- Margins to improve with better utilization of new capacities



# We are leading provider of logistics and supply chain services to India's oil, gas and chemical industry

Strategic port locations



Storage terminals



Rail connectivity



Pipelines



## Liquids

- Terminals at key ports- Mumbai, Kochi, Haldia, Pipavav
- Jetty Pipelines
- Multiple tank sizes
- Coated , Stainless Steel and Heated tanks
- Road, Rail and Pipeline connectivity

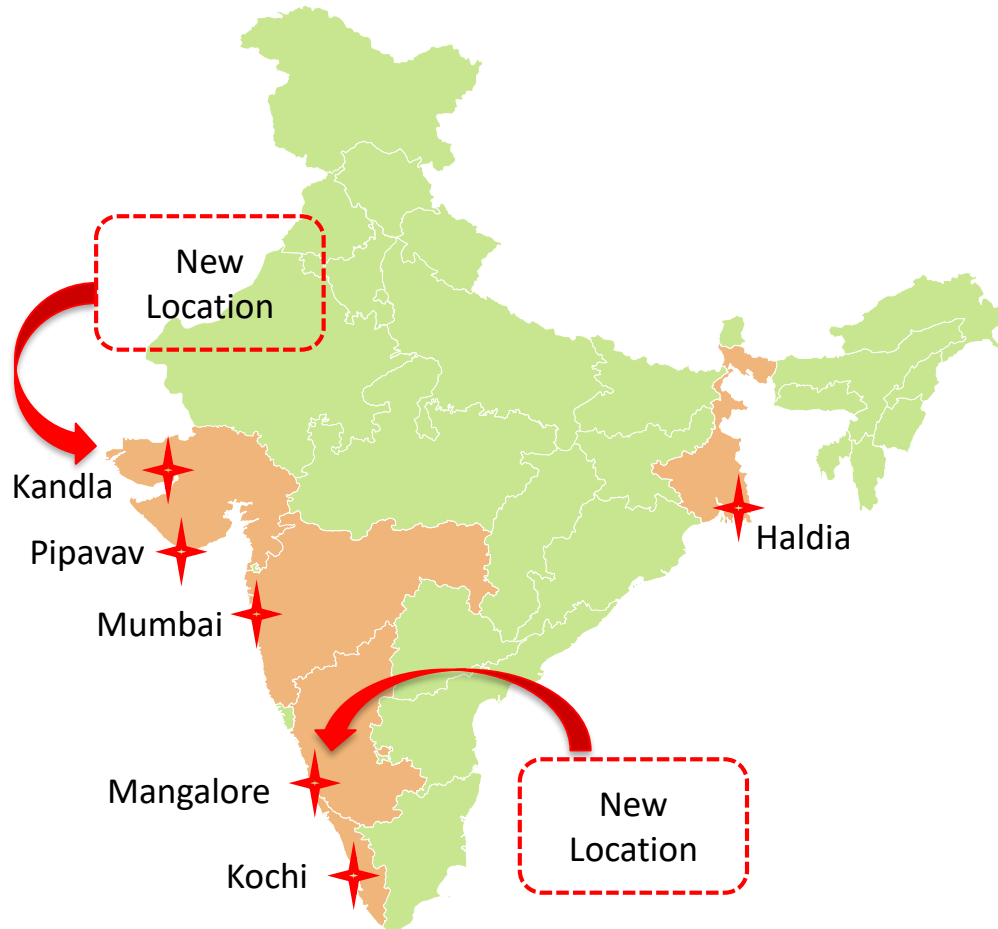
## LPG

- Refrigerated Gas Terminal in Mumbai
- Pressurized Gas Terminal in Pipavav
- Pipeline connectivity to Petchem plant
- Network of 113 Autogas stations in 7 states
- Network of 145 commercial distributors in 8 states
- LPG Sourcing JV with Itochu in Singapore



**Integrated Supply Chain Management**

# Our Strategy : Building a Necklace of Terminals around the coastline of India



## ✓ VLGC

- All Ports are Deep Water Ports to accommodate VLGC

## ✓ Pipelines

- Pipeline Facilities for Larger Customers

## ✓ Railways

- Railways available at Pipavav and can be set up at all ports except Mumbai

## ✓ Roadways

- Well developed Infrastructure to enable connectivity to the customers



# Strong Industry Partners





# Management Team

**Raj Chandaria**

Chairman & MD



**Anish Chandaria**

Vice Chairman & MD



**Sudhir Malhotra**

Group President & COO



**Rajiv Chohan**

President -Business Development



**Murad Moledina**

Chief Financial Officer



**K. S. Sawant**

President - Operations & Projects



Solid Foundations



# Consolidated Profitability Statement - Quarter

Rs. In Cr.	Q1 FY20	Q1 FY19	Y-o-Y %
<b>Revenue</b>	<b>1,955</b>	<b>1,017</b>	<b>92%</b>
Cost of Sales	1,806	891	
Others	37	35	
<b>Normalized EBITDA (Segment) *</b>	<b>112</b>	<b>91</b>	<b>23%</b>
Finance, Hedging & Forex related Expenses (Net)	2	4	
Depreciation	15	12	
Unallocated Expenses	11	6	
<b>Profit Before Tax</b>	<b>84</b>	<b>69</b>	<b>22%</b>
Tax	22	10	
<b>Profit after Tax</b>	<b>62</b>	<b>59</b>	<b>5%</b>

\* Normalized EBITDA – Before Forex Hedging Related expenses

# Consolidated Profitability Statement - Annual

Rs. In Cr.	FY19	FY18	Y-o-Y %
<b>Revenue</b>	<b>5,619</b>	<b>4,791</b>	<b>17%</b>
Cost of Sales	5,037	4,355	
Others	169	130	
<b>Normalized EBITDA (Segment) *</b>	<b>412</b>	<b>306</b>	<b>35%</b>
Finance, Hedging & Forex related Expenses (Net)	19	17	
Depreciation	50	32	
Unallocated Expenses	41	32	
<b>Profit Before Tax</b>	<b>302</b>	<b>225</b>	<b>34%</b>
Tax	50	11	
<b>Profit after Tax</b>	<b>252</b>	<b>214</b>	<b>18%</b>

\* Normalized EBITDA – Before Forex Hedging Related expenses

# Consolidated Balance Sheet

Rs. In Cr.	Mar-19	Mar-18
<b>Non Current Assets</b>		
Property, Plant and Equipment	1,326	1,280
Capital Work in Progress	121	126
Other Intangible Assets	1	1
Goodwill	1	1
Financial Assets		
Other Investments	1	0
Others - Security Deposit	13	9
Current Tax Assets (Net)	22	15
Deferred Tax Assets (Net)	95	65
Other Non Current Asset	90	90
<b>Sub-total Non Current Assets</b>	<b>1,670</b>	<b>1,587</b>
<b>Current Assets</b>		
Inventories	34	26
Financial Assets		
Investments	10	0
Trade Receivables	229	347
Cash and Cash Equivalents	353	95
Bank Balance other than above	60	67
Other Financial Assets	7	10
Other Current Assets	65	82
<b>Total Current Assets</b>	<b>758</b>	<b>627</b>
<b>TOTAL - ASSETS</b>	<b>2,428</b>	<b>2,214</b>

Rs. In Cr.	Mar-19	Mar-18
<b>Equity</b>		
Equity Share Capital	33	33
Other Equity	1,358	1,174
<b>Equity Attributable to owners</b>	<b>1,391</b>	<b>1,207</b>
Non controlling Interest	75	70
<b>Sub-total Equity</b>	<b>1,466</b>	<b>1,277</b>
<b>Liabilities</b>		
Non Current Liabilities		
Financial Liability		
Borrowings	57	62
Other financial liabilities	20	13
Other non-current liabilities	1	2
Provisions	12	11
<b>Total Non Current Liabilities</b>	<b>90</b>	<b>88</b>
<b>Current Liabilities</b>		
Financial Liability		
Borrowings	130	220
Trade Payables	485	379
Other financial liabilities	125	142
Provisions	3	3
Current Tax Liabilities (Net)	19	7
Deferred Tax Assets (Net)	83	70
Other current Liabilities	27	27
<b>Total Current Liabilities</b>	<b>872</b>	<b>849</b>
<b>TOTAL EQUITIES AND LIABILITIES</b>	<b>2,428</b>	<b>2,214</b>

# Profit & Dividend Track Record

**Dividend  
Payout**

**32%**

**35%**

**44%**

**34%**

**24%**

**32%**

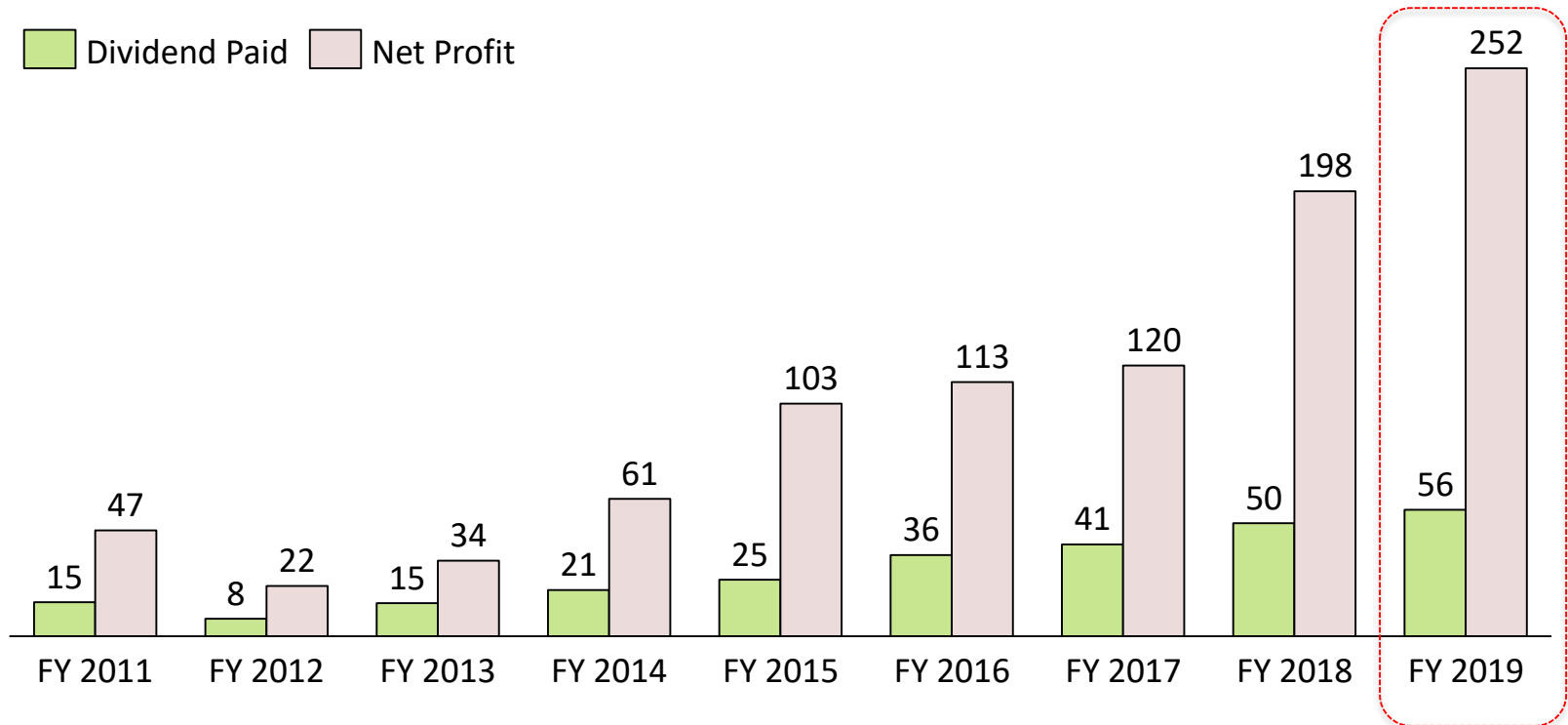
**34%**

**25%**

**22%**

Rs. In Cr.

■ Dividend Paid ■ Net Profit



**Total Dividend for FY19 is 140% (i.e. Re. 1.40 per share) of Face Value of Re. 1 each**

## For further information, please contact:

### Company :

#### **Aegis Logistics Limited**

CIN: L63090GJ1956PLC001032

Mr. Murad Moledina, CFO

[murad@aegisindia.com](mailto:murad@aegisindia.com)

[www.aegisindia.com](http://www.aegisindia.com)

### Investor Relations Advisors :

#### **Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

Ms. Payal Dave / Mr. Jigar Kavaiya

[payal.dave@sgapl.net](mailto:payal.dave@sgapl.net) / [jigar.kavaiya@sgapl.net](mailto:jigar.kavaiya@sgapl.net)

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