

# Aegis Logistics Limited

"Positioned for growth"

Investor Presentation

May 2016



AEGIS

T130  
10000KL



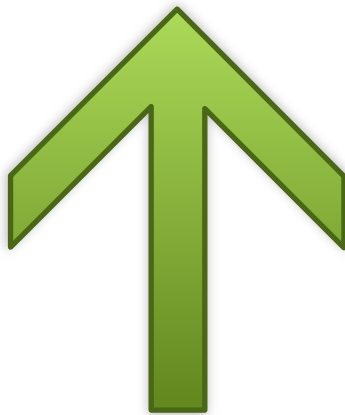
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# All Time Record Performance

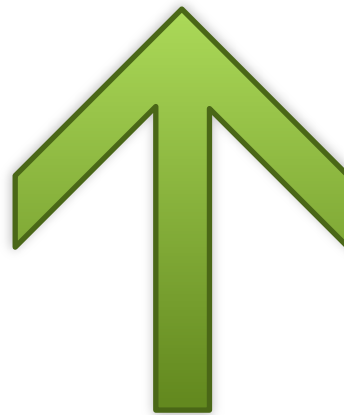
**SEGMENTAL EBITDA**



**24%**

**Rs. 225 Cr**

**PAT**



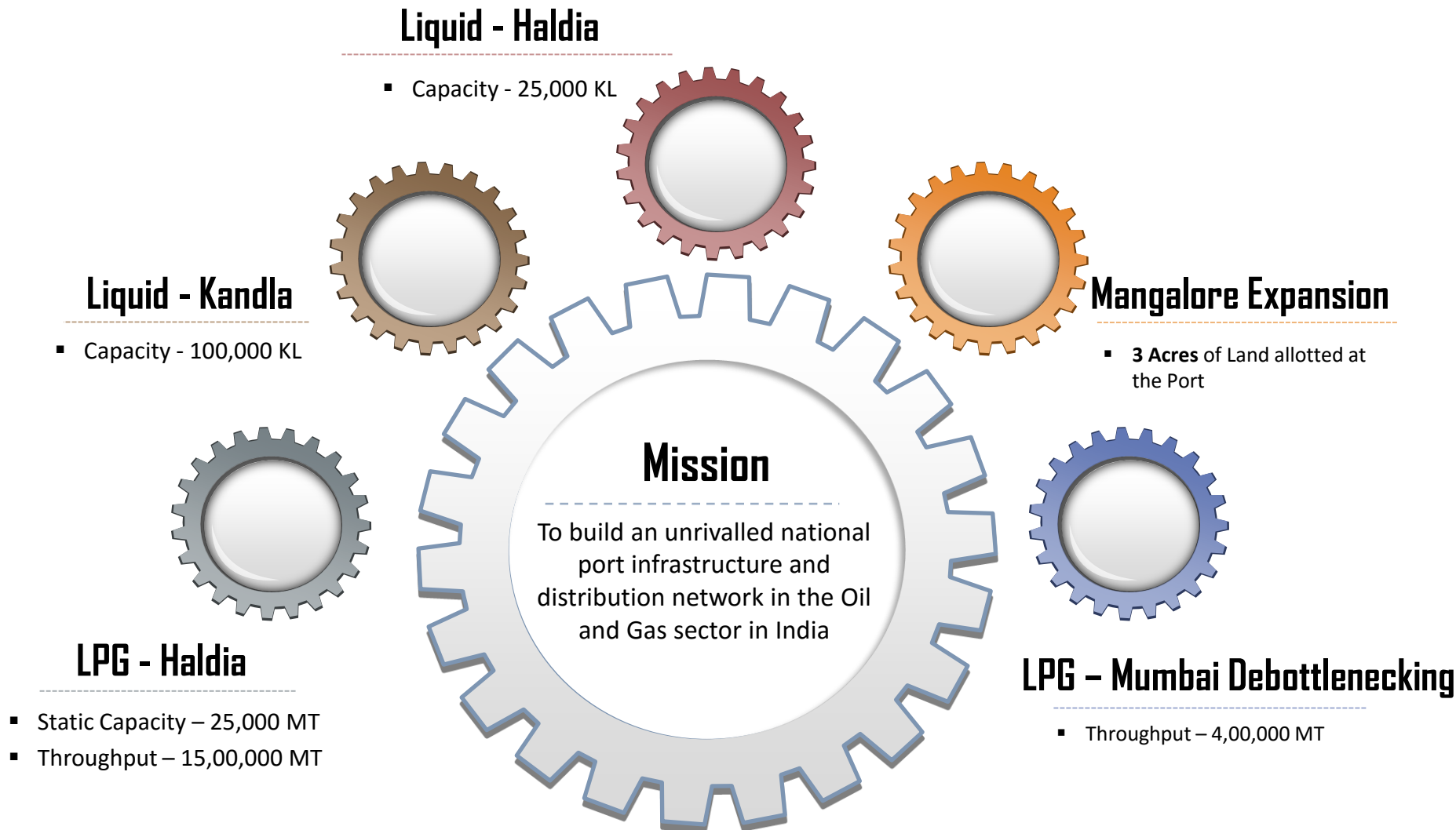
**42%**

**Rs. 126**

.....  
**ALL TIME RECORD  
LIQUID DIVISION  
EBITDA**  
.....

.....  
**ALL TIME RECORD  
GAS DIVISION  
EBITDA**  
.....

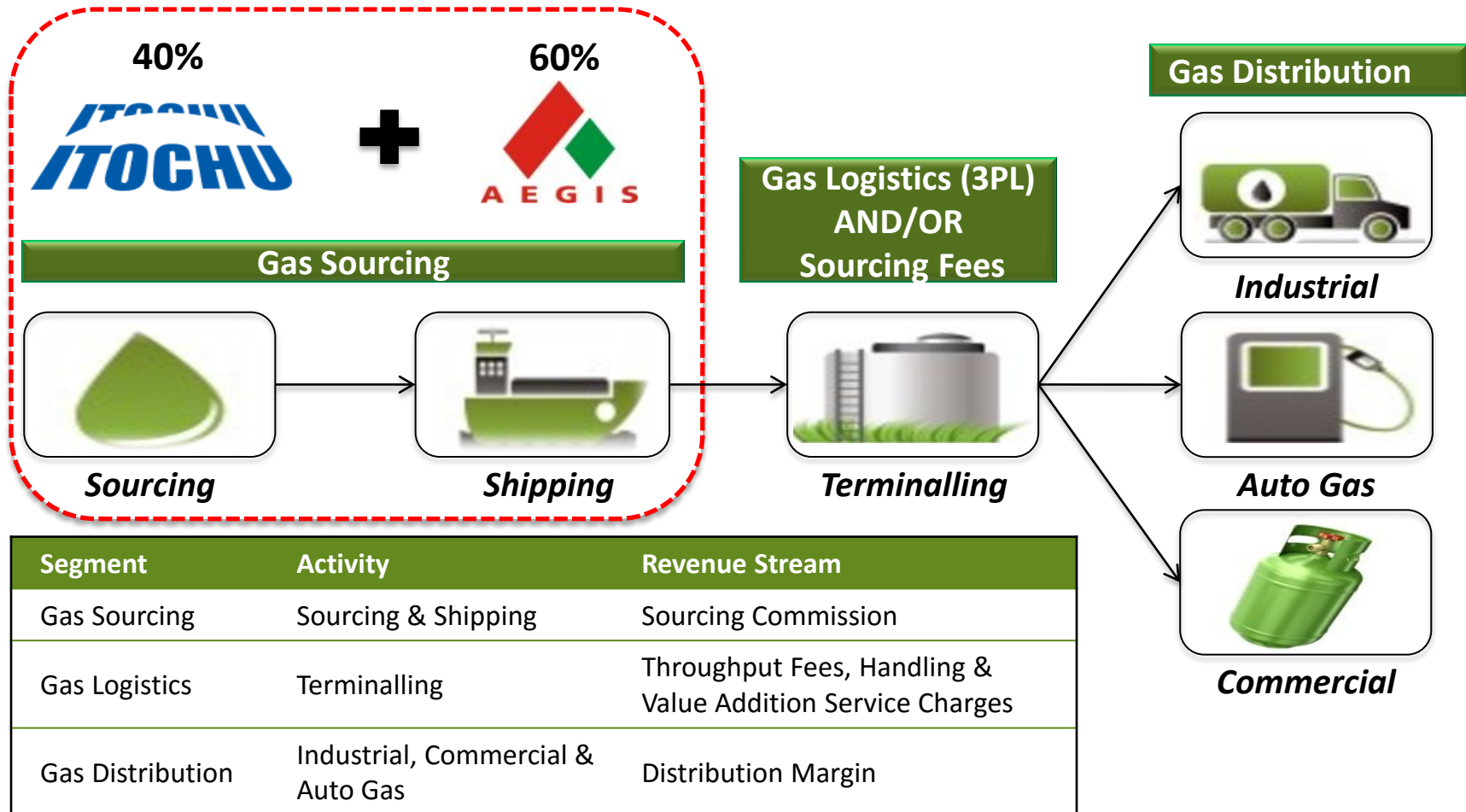
# Major ongoing Expansion Projects





## Gas Logistics

# Gas Logistics - Capturing Complete Value Chain



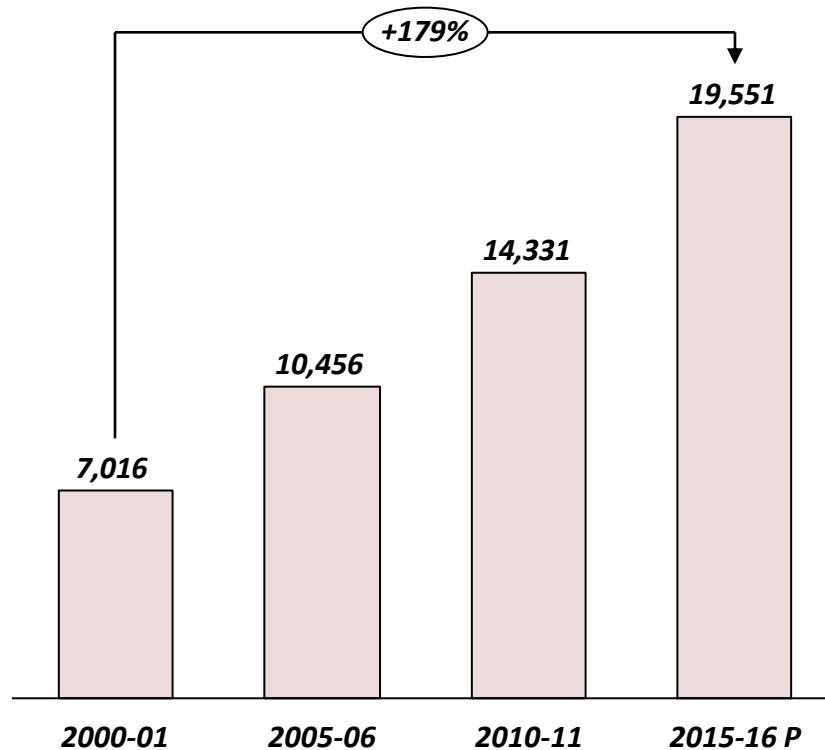
**Creating 'Leading LPG Sourcing Player in India' through Vertical Integration Strategy**



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

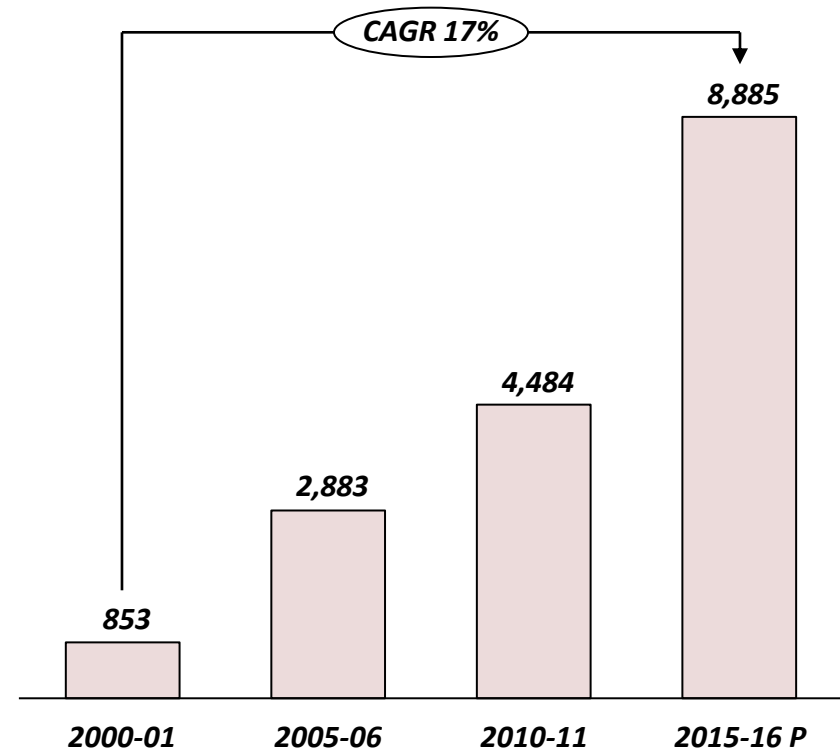
## Consumption of LPG in India

'000 MT



## Imports of LPG in India

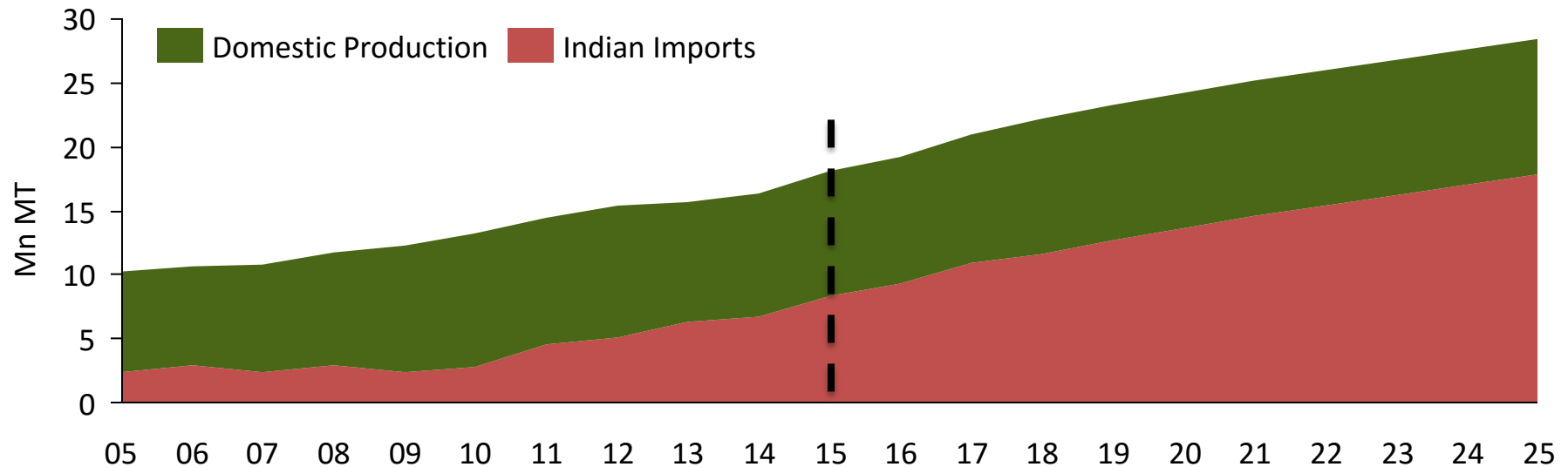
'000 MT



## Incremental Demand in LPG met through Imports

•Source: PPAC

# ...LPG Import Terminal Capacity has a Shortfall



Figures in MT	2014/15	2020/21	Comments
Static Import Capacity	312,800	312,800*	Aegis capacity in 2015 is 25,400
Import Throughput	8,300,000	14,576,000	
# of Turns	<b>26.5</b>	<b>46</b>	High demurrage costs
Optimum Turns	24	24	

\* Assuming no new build up

Source: PPAC/IOC and Management Estimates

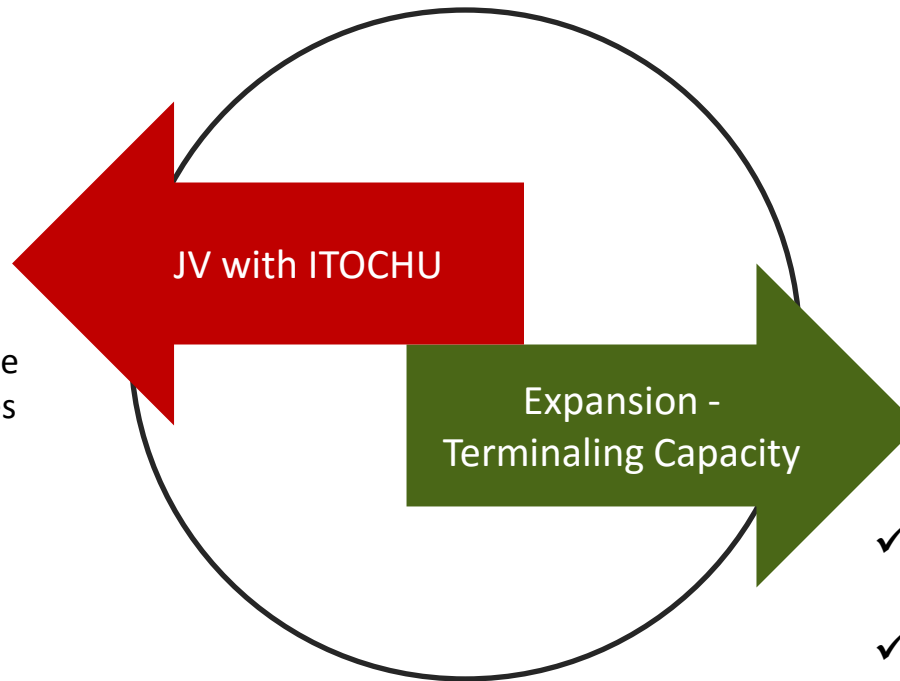


# To Capitalize on this Opportunity

## *Leading LPG Logistics Player in India*



- ✓ Efficient and Cost Effective Shipping for High Volumes
- ✓ Strong Negotiating Power
- ✓ Financial Muscle



- ✓ Growing LPG Market in India
- ✓ Strong Customer Relationship
- ✓ Terminaling Capacity

***Aegis entered into a Joint Venture for its  
Singapore based LPG Sourcing and Supply Business  
with  
ITOCHU Petroleum Co., (Singapore) Pte Ltd***

*Aegis Logistics Limited sold 40% of its equity ownership in its wholly owned subsidiary, Aegis Group International Pte. Ltd. Singapore, to ITOCHU Petroleum Co., (Singapore) Pte Ltd., a wholly owned subsidiary of ITOCHU Corporation for a total consideration of \$ 5.85 million*



**Attaining Cost Leadership in the LPG import market  
Lowering the delivered price to most Competitive levels**

# Greenfield Capacity Expansion at Haldia

## ✓ Static Capacity

- 25,000 MT – 2 Fully Refrigerated Tanks of 12,500 MT each

## ✓ Throughput Capacity

- 15,00,000 MT at full utilization

## ✓ Project Cost

- Rs 250 crs

## ✓ Means of Finance

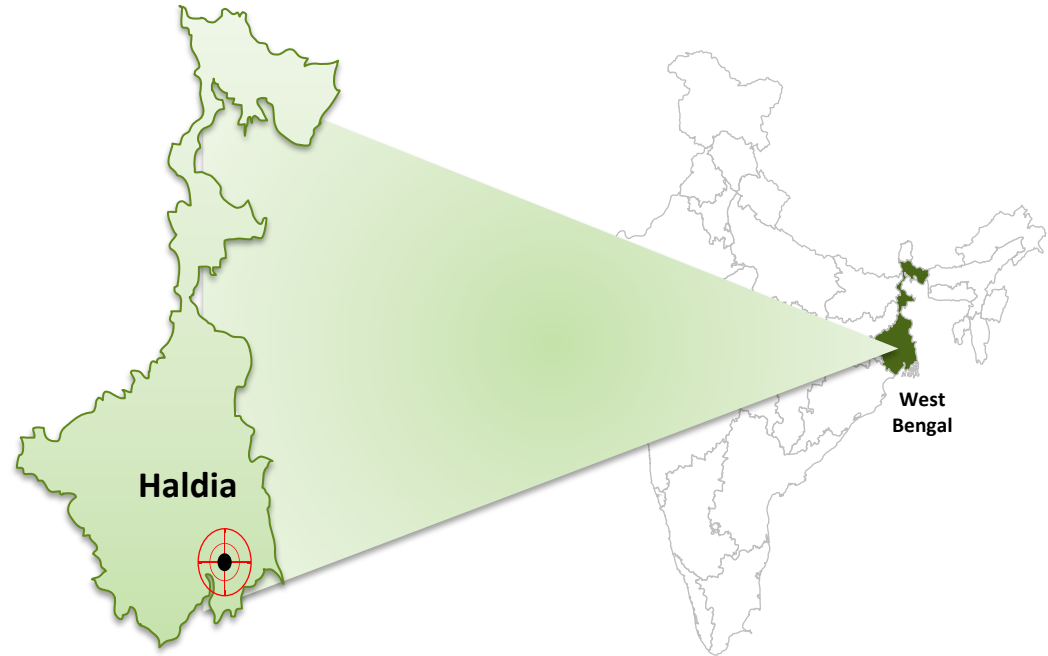
- Internal Accrual

## ✓ Project Completion Date

- Q1 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**
  - 11,00,000 MT (incremental 4,00,000 MT)
- ✓ **Project Cost**
  - Rs 15 crs
- ✓ **Means of Finance**
  - Internal Accrual
- ✓ **Project Completion Date**
  - Q1 FY17-18
- ✓ **Pipeline Connectivity**
  - Uran – Chakan / Shikrapur LPG Pipeline passes through Mumbai



## *Project would include addition of :*

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

# Brownfield Capacity Expansion at Pipavav

- ✓ **Static Capacity**
  - 2700 MT
- ✓ **Throughput Capacity**
  - 2,00,000 MT at full utilization
- ✓ **Project Cost**
  - Rs 15 crs
- ✓ **Means of Finance**
  - Internal Accrual
- ✓ **Project Completion Date**
  - Q1 FY16-17



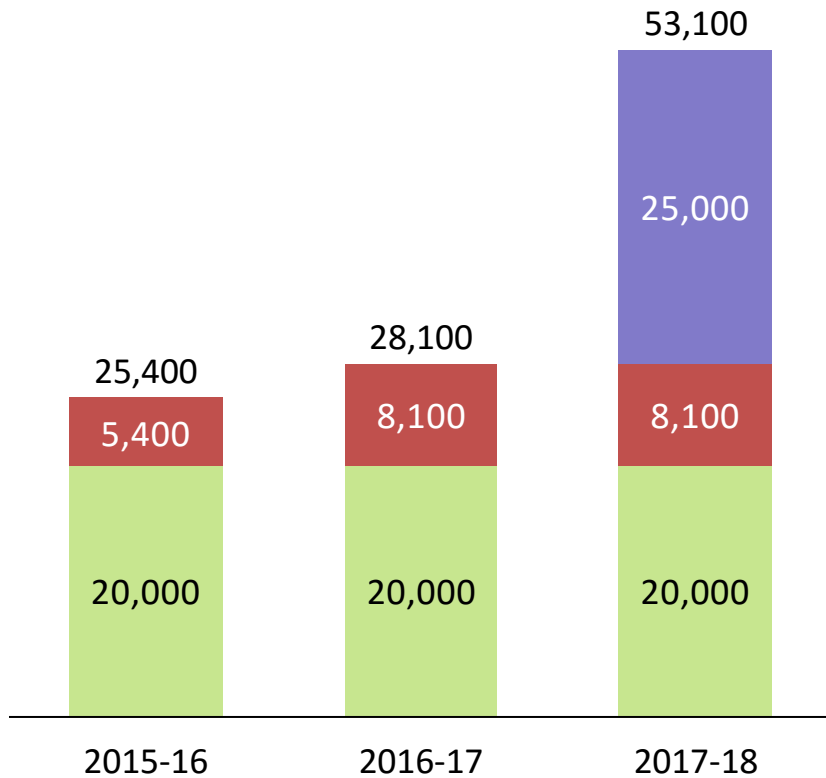
***Throughput volumes for LPG handled in Pipavav  
expected to grow***

***through***

***existing and new customer relationships***

# LPG Capacity Post Expansion

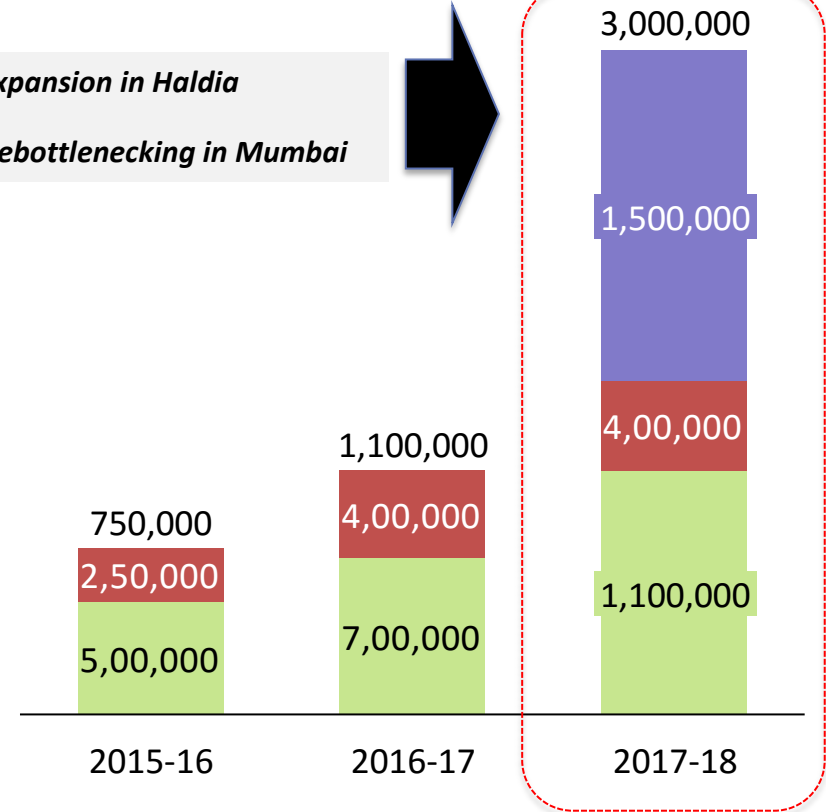
Static Capacity MT



Throughput Capacity MT

*Expansion in Haldia*

*Debottlenecking in Mumbai*



■ Haldia 
 ■ Pipavav 
 ■ Mumbai

# Our Gas Distribution Network

## B2C



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

## B2B

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

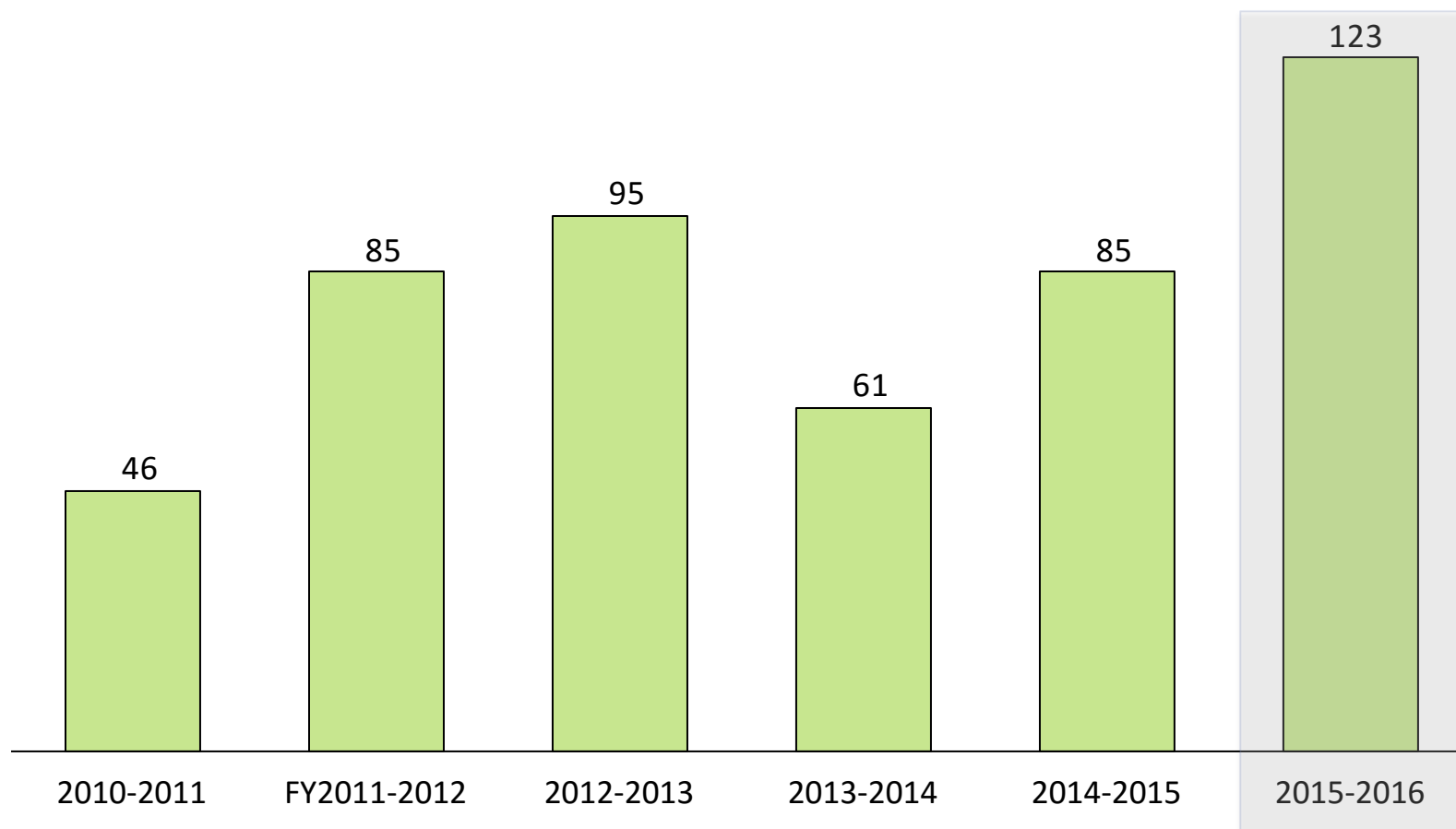


- **Commercial LPG:** Distribute Packed Cylinders for Commercial and Industrial users
- 81 Commercial Distributors spread across 42 Cities in 7 states



# Gas Division Performance EBITDA\*

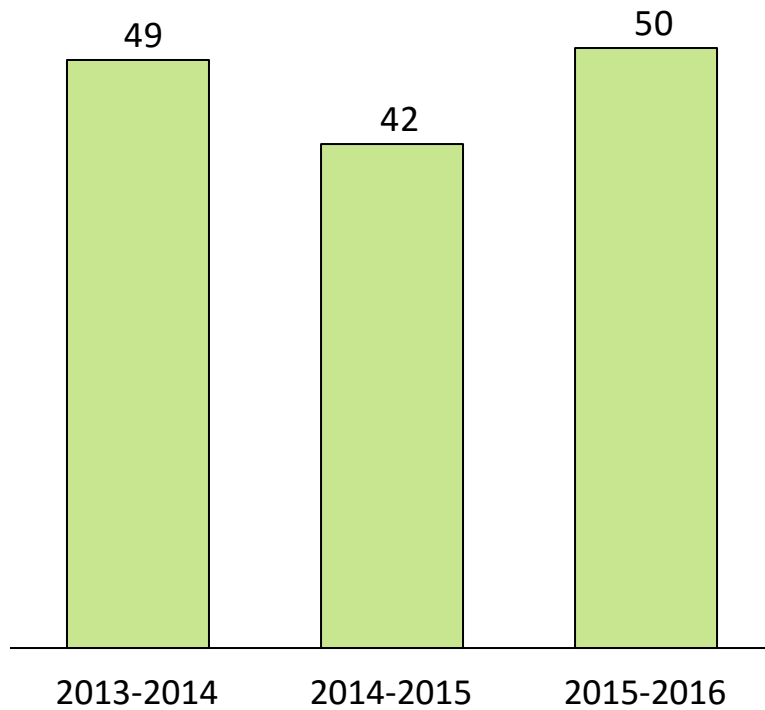
Rs. in Cr.



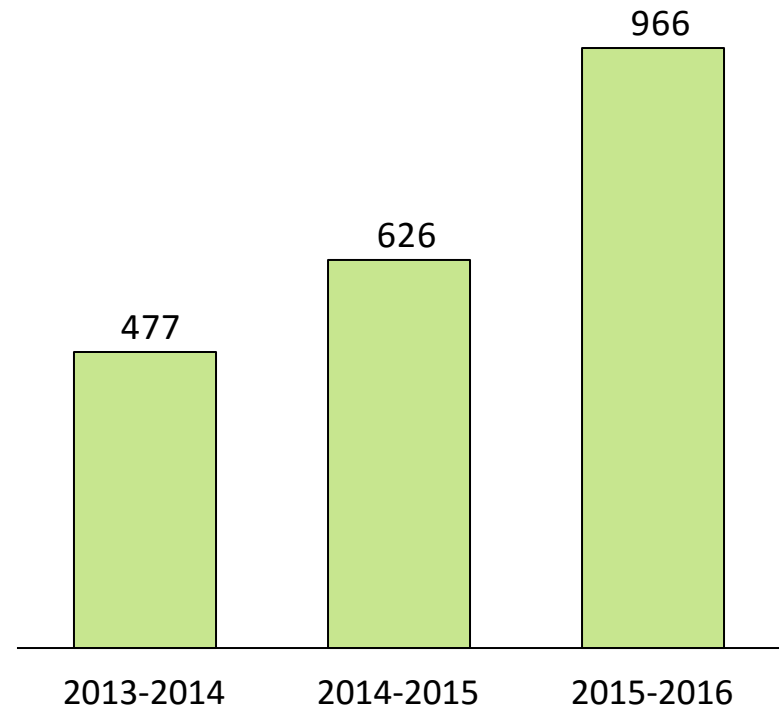
\* Normalized EBITDA – Before Forex, Hedging Related Expenses

# LPG Volume

## Distribution ('000 MT)



## Logistics ('000 MT)



# New Growth Drivers

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- Throughput volumes for LPG handled in Pipavav and Mumbai Terminals expected to grow 30-40% on YoY basis through existing and new customer relationships
- Commissioning of second chemical berth in Mumbai Port which will result in additional port handling capacity of 2.5 mn MT per year
- An agreement has been reached with ESSAR to sell ESSAR branded petrol and diesel in up-to 60 existing auto gas stations and potentially all new sites
- Order Book for LPG sourcing of FY 2017 is the highest in the history of Aegis Group International PTE Ltd



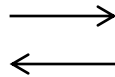
## Liquid Logistics

# Liquid Logistics and EPC Services

## Liquid Logistics (3PL)



***Shipping***

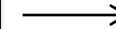


***Logistics***

## O&M Services



***O&M***



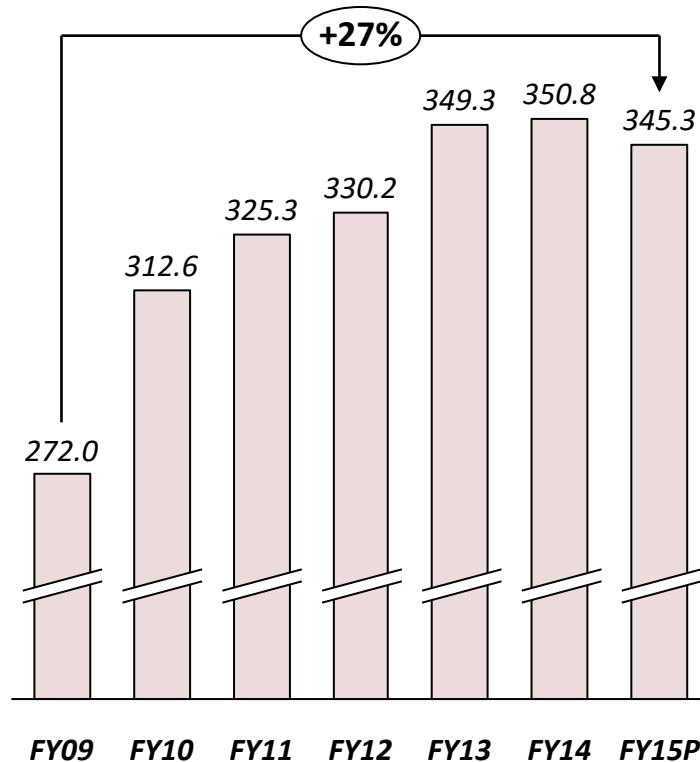
***Facilities***

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

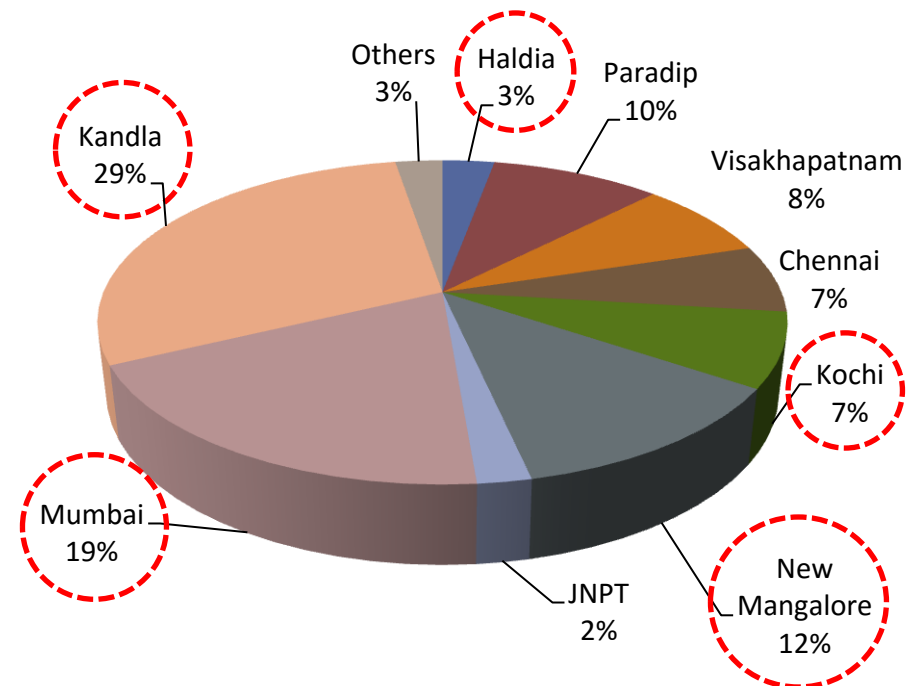
# Liquid\* Traffic at Indian Ports

## POL Traffic Growth at Indian Ports

mn MT



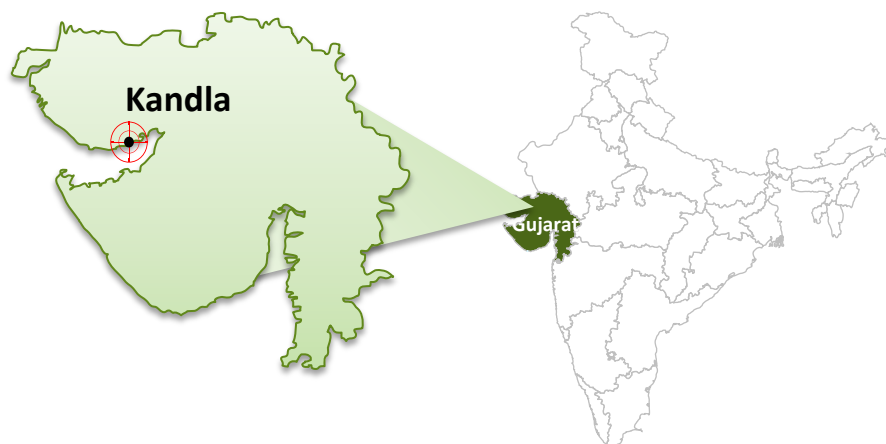
## POL Traffic at Major Ports in FY 2015P



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

# Liquid Terminal Expansion at Kandla and Haldia Ports

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



### ✓ Project Cost

- Rs 75 crs

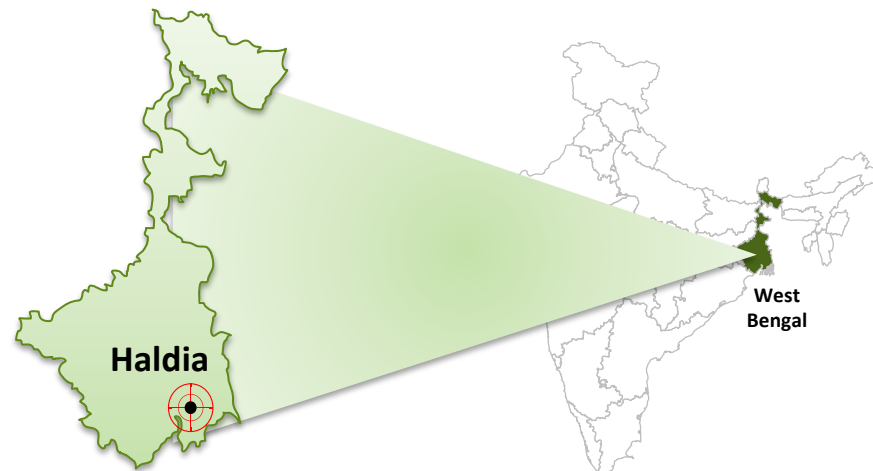
### ✓ Means of Finance

- Internal Accruals

### ✓ Project Completion Date

- Q1 FY17-18

## Brownfield Liquid Terminal Expansion at Haldia Port – 25,000 KL



### ✓ Project Cost

- Rs 15 crs

### ✓ Means of Finance

- Internal Accruals

### ✓ Project Completion Date

- Q4 FY16 - 17



# Liquid Capacity Post Expansion

## 01 Kandla

- ✓ Expansion – 100,000 KL

## 02 Haldia

- ✓ Expansion – 25,000 KL
- ✓ Existing – 60,190

## 03 Mumbai

- ✓ Existing – 273,000 KL

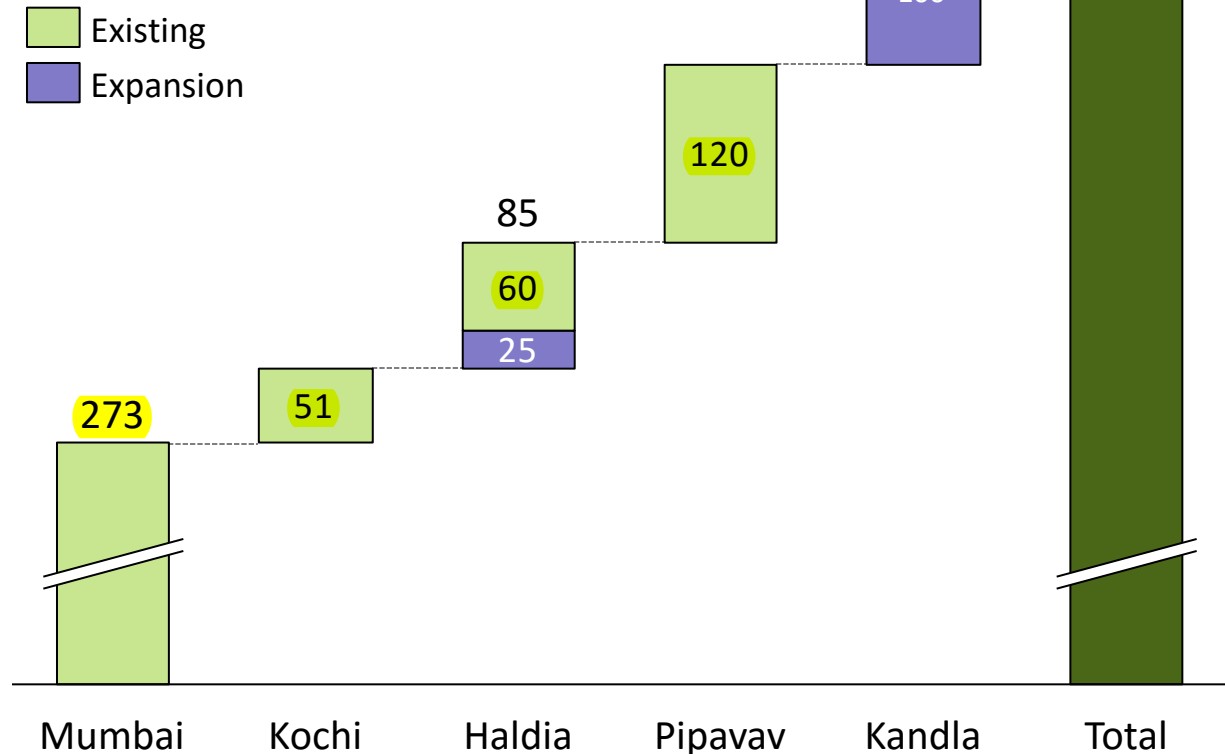
## 04 Pipavav

- ✓ Existing – 120,120

## 05 Kochi

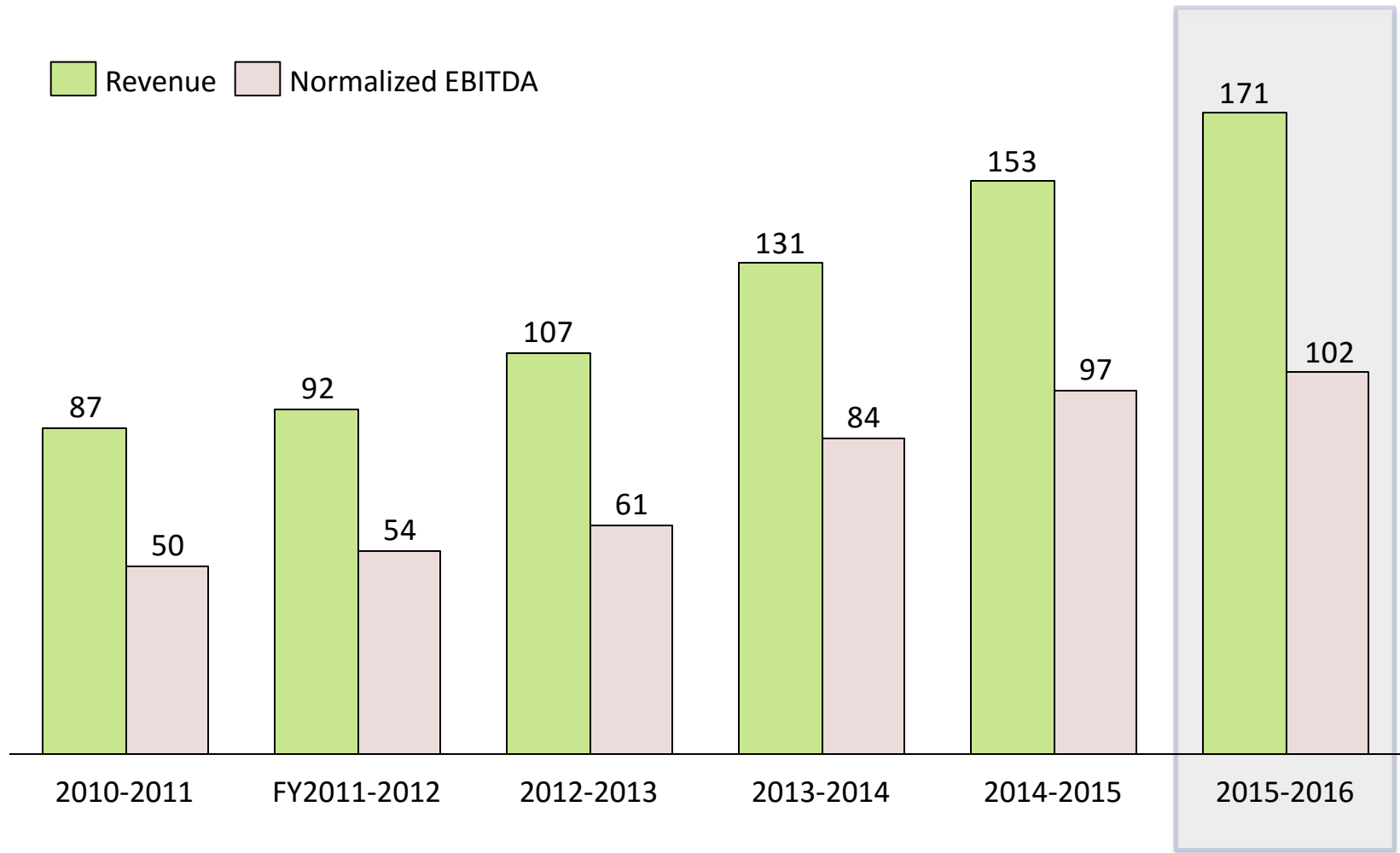
- ✓ Existing – 51,000

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



**Total Capacity post expansion at Kandla & Haldia : ~ 630,000 KL**

# Liquid Division Performance



# 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



# Unique Infrastructure

## 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

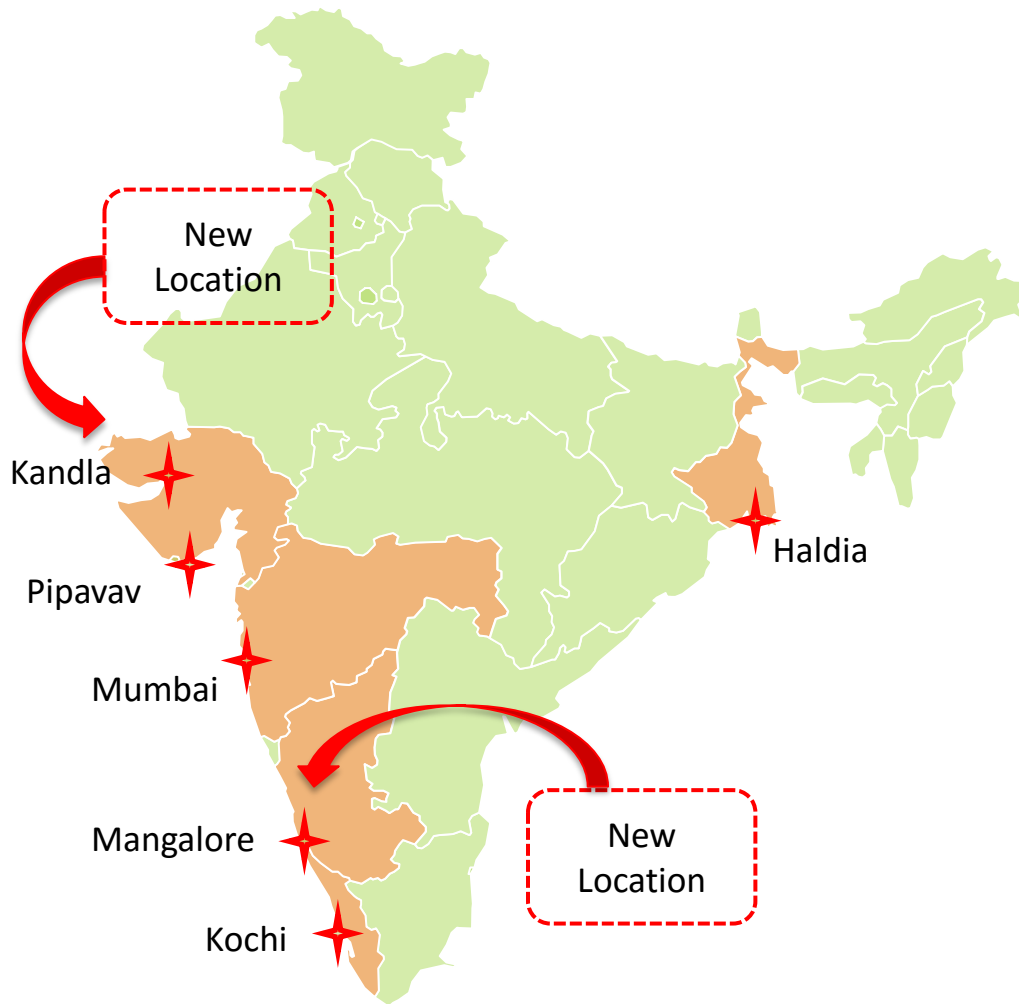
## LPG

- Refrigerated Gas Terminal in Mumbai
- Pressurized Gas Terminal in Pipavav
- Pipeline connectivity to Petchem plant
- Network of 104 Autogas stations in 7 states
- Network of 81 commercial distributors
- LPG Sourcing JV with Itochu in Singapore



**Integrated Supply Chain Management**

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



Map not to scale

## ✓ 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**

Vice Chairman & MD

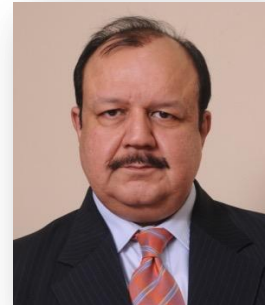


**Anish Chandaria**

MD & CEO

**Sudhir Malhotra**

Group President & COO



**Rajiv Chohan**

President -Business Development

**Murad Moledina**

Chief Financial Officer



**K. S. Sawant**

President - Operations & Projects



Solid Foundations



# Current Business Break-up

## Liquid Division

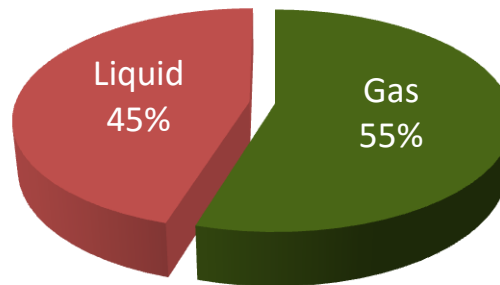
### ▪ Business

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

### ▪ Revenue Model

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

**FY16 EBITDA**  
**Rs 225 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


## FY2016

**24%** 

Normalised EBITDA

**38%** 

PBT

**42%** 

PAT

## March 2016

**19%**

ROCE- Liquid Division

**59 %**

ROCE- Gas Division

**0.12x**

Net Debt to Equity

# Consolidated Profitability Statement

Rs Crs	Q4 FY16	Q4 FY15	Y-o-Y %
<b>Revenue</b>	<b>437</b>	<b>520</b>	<b>-16%</b>
Cost of Sales	343	445	
Others	32	23	
<b>Normalized EBITDA (Segment) *</b>	<b>62</b>	<b>52</b>	<b>19%</b>
Finance, Hedging & Forex related Expenses (Net)	4	6	
Depreciation	6	5	
Unallocated Expenses	10	8	
<b>Profit Before Tax</b>	<b>42</b>	<b>33</b>	<b>27%</b>
Tax	8	9	
<b>Profit after Tax</b>	<b>34</b>	<b>24</b>	
<b>Profit after Tax excluding Capital Gains</b>	<b>34</b>	<b>24</b>	<b>42%</b>

\* Normalized EBITDA – Before Forex Hedging Related expenses

# Consolidated Profitability Statement

Rs Crs	FY16	FY15	Y-o-Y %
<b>Revenue</b>	<b>2,213</b>	<b>3,916</b>	<b>-43%</b>
Cost of Sales	1,874	3,635	
Others	114	99	
<b>Normalized EBITDA (Segment) *</b>	<b>225</b>	<b>182</b>	<b>24%</b>
Finance, Hedging & Forex related Expenses (Net)	16	19	
Depreciation	22	22	
Unallocated Expenses	34	30	
<b>Profit Before Tax</b>	<b>153</b>	<b>111</b>	<b>38%</b>
Capital Gains on Divestment	0	31	
Tax on Capital Gains	0	8	
Tax	27	22	
<b>Profit after Tax</b>	<b>126</b>	<b>112</b>	
<b>Profit after Tax excluding Capital Gains</b>	<b>126</b>	<b>89</b>	<b>42%</b>

\* Normalized EBITDA – Before Forex Hedging Related expenses

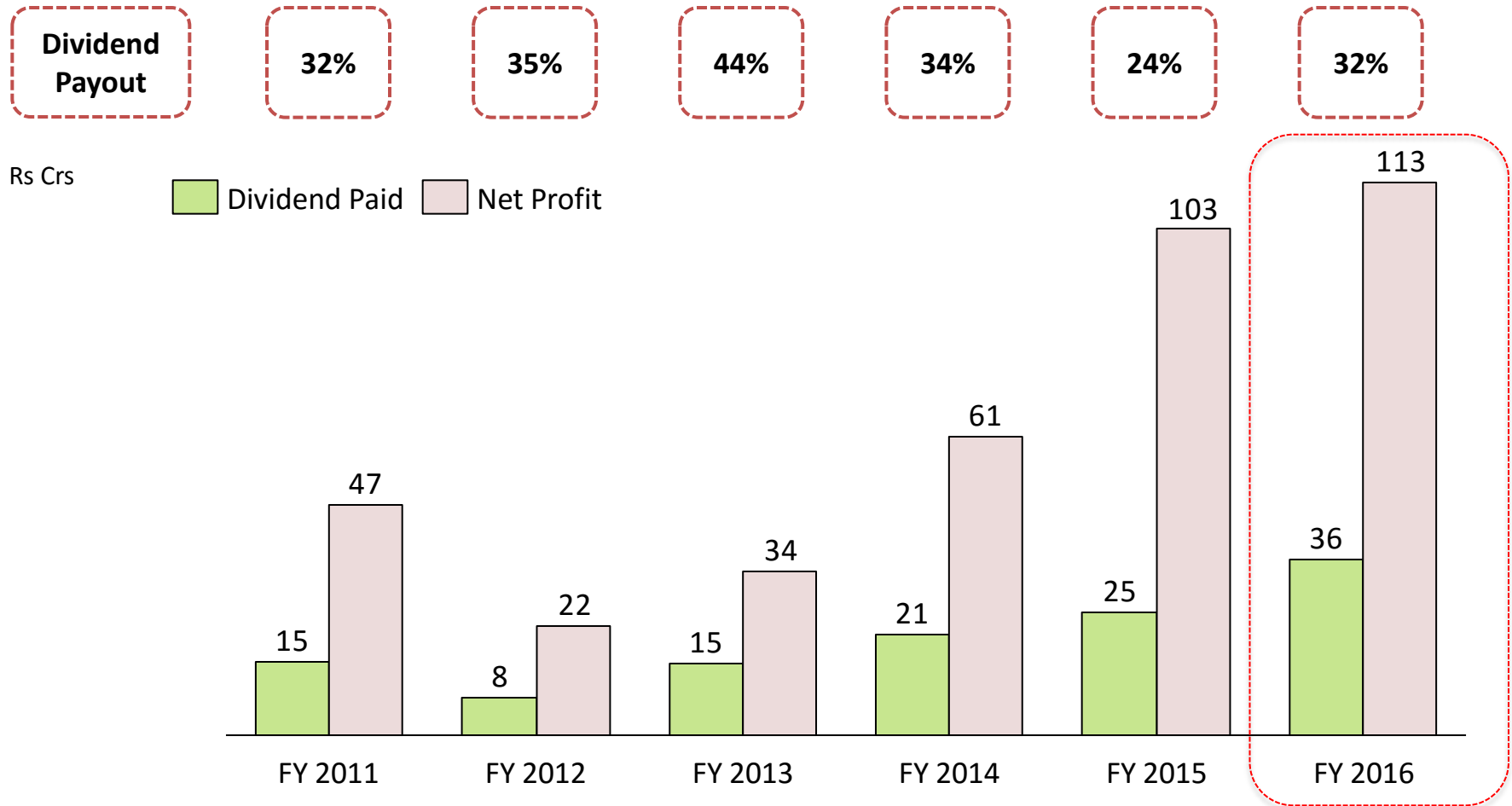
# Consolidated Balance Sheet

Rs. Crs	Mar-16	Mar-15
<b>Shareholder's Fund</b>	<b>504</b>	<b>427</b>
Share Capital	33	33
Reserves & Surplus	471	394
<b>Minority Interest</b>	<b>39</b>	<b>26</b>
<b>Non-Current Liabilities</b>	<b>154</b>	<b>170</b>
Long Term Borrowings	109	132
Other Non Current Liabilities	45	38
<b>Current Liabilities</b>	<b>202</b>	<b>314</b>
Short Term Borrowings / Buyers Credit	47	63
Trade Payables	77	192
Other Current Liabilities	78	59
<b>Total Liabilities</b>	<b>899</b>	<b>937</b>

Rs. Crs	Mar-16	Mar-15
<b>Non-Current Assets</b>	<b>651</b>	<b>558</b>
Fixed Assets *	545	488
Non-Current Investments	0	3
Other Non-Current Assets	106	67
<b>Current Assets</b>	<b>248</b>	<b>379</b>
Inventories	12	20
Trade Receivables	97	201
Cash and Bank Balances	97	125
Other Current Assets	42	33
<b>Total Assets</b>	<b>899</b>	<b>937</b>

\* Including Goodwill on Consolidation

# Profit & Dividend Track Record





## For further information, please contact:

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### Company :

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