

# Aegis Logistics Limited

## Result Presentation

Q2 FY16




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## H1 FY2016

**28%** 

Normalised EBITDA

**40%** 

PBT

**30%** 

PAT

## Sep 2015

**23 %**

ROCE- Liquid Division

**54 %**

ROCE- Gas Division

**0.08x**

Net Debt to Equity

# Multiple Gears for Future Growth

## Haldia Expansion

- Current Capacity fully utilized
- Total Land of **13 acres** available
- Brownfield expansion of 25,000 KL

## Kandla Expansion

- Total land of **20 acres** allotted
- Greenfield Expansion of 100,000 KL

## Mangalore Expansion

- **3 Acres** of Land allotted at the Port

## Mumbai Port - Jetty

- New Jetty already commissioned for non petroleum products

## Mission

To build an unrivalled national port infrastructure and distribution network in the Oil and Gas sector in India

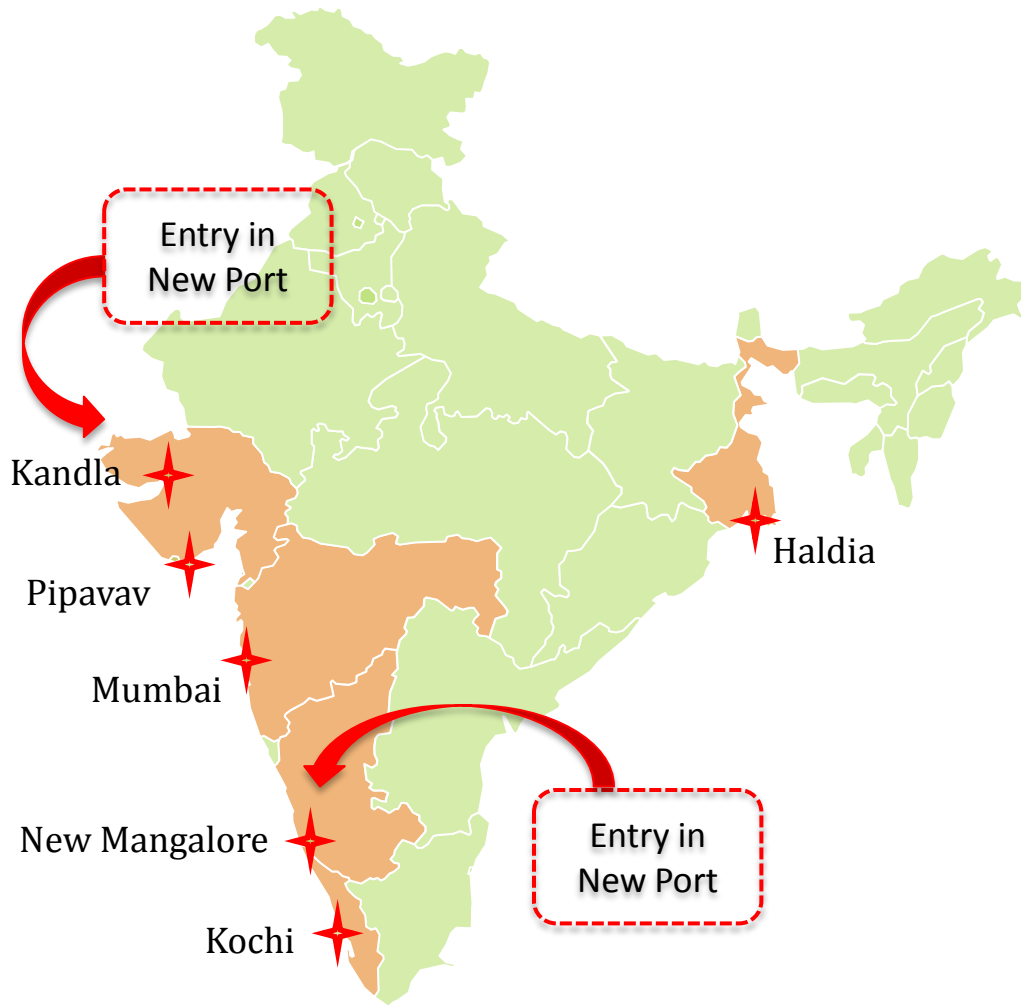
## Distribution Network

- Crossed 178 Distributors / Dealers
- Spread over 42 Cities in 7 States

## Pipavav Expansion

- Infrastructure Development
- LPG - Additional 50% Capacity
- Phase II & III to be launched based on Customer Commitment

# Our Strategy : Building a Necklace of Terminals

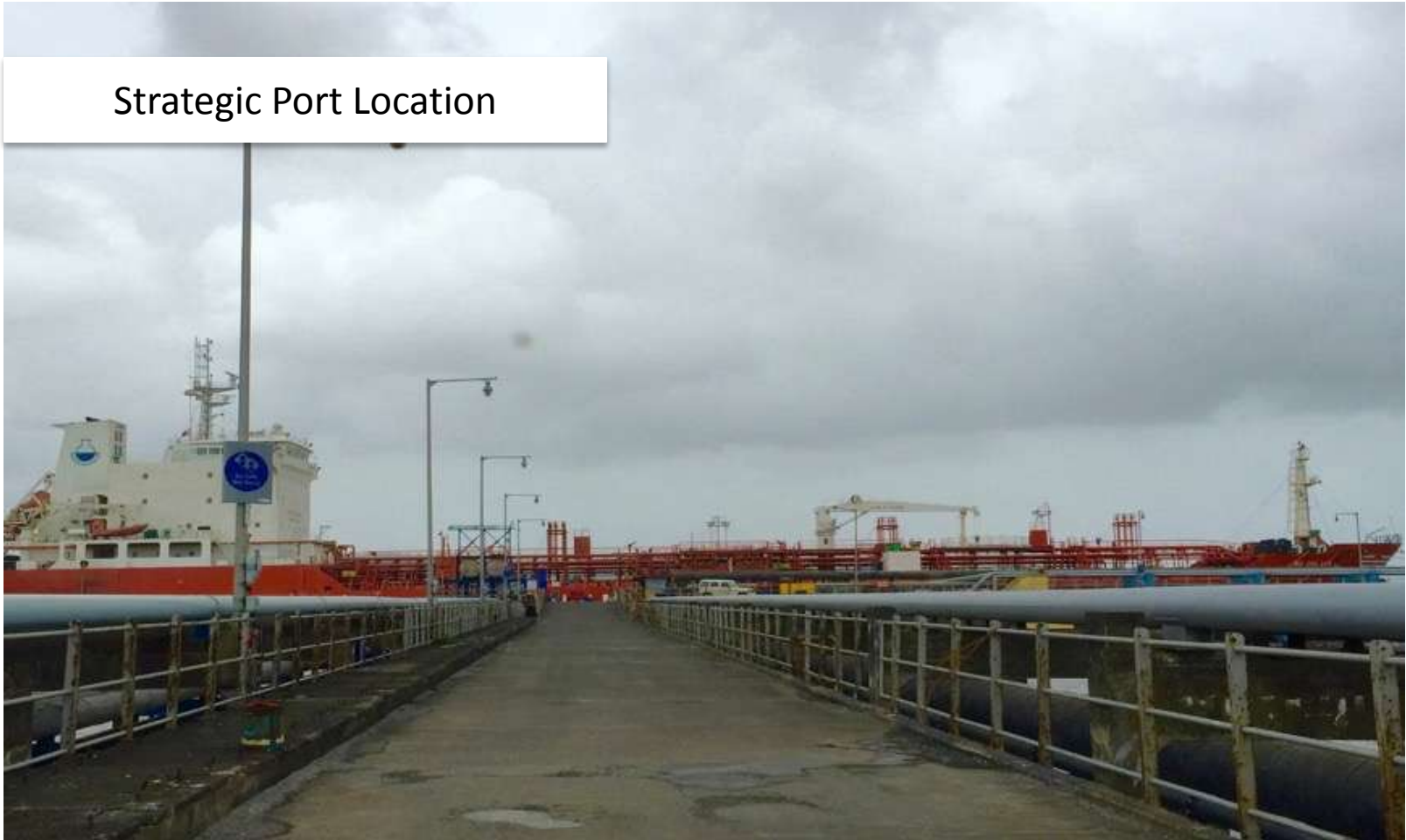


Map not to scale

- ✓ **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

# Business Overview

Strategic Port Location



# Business Overview

## Liquid Division

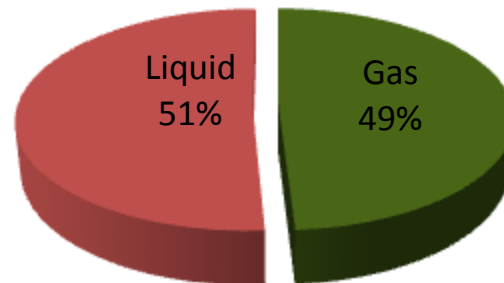
### ▪ Business

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

### ▪ Revenue Model

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

**H1 FY16 EBITDA**  
**Rs 109 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

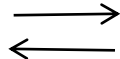
- Fee based Revenue Model for Gas Logistics
- Fees for Sourcing Business
- Retail Margin for Gas Distribution
- Handling and Other Service Charges

# Liquid Logistics and EPC Services

## Liquid Logistics (3PL)



*Shipping*



*Logistics*

## O&M Services



*O&M*



*Facilities*

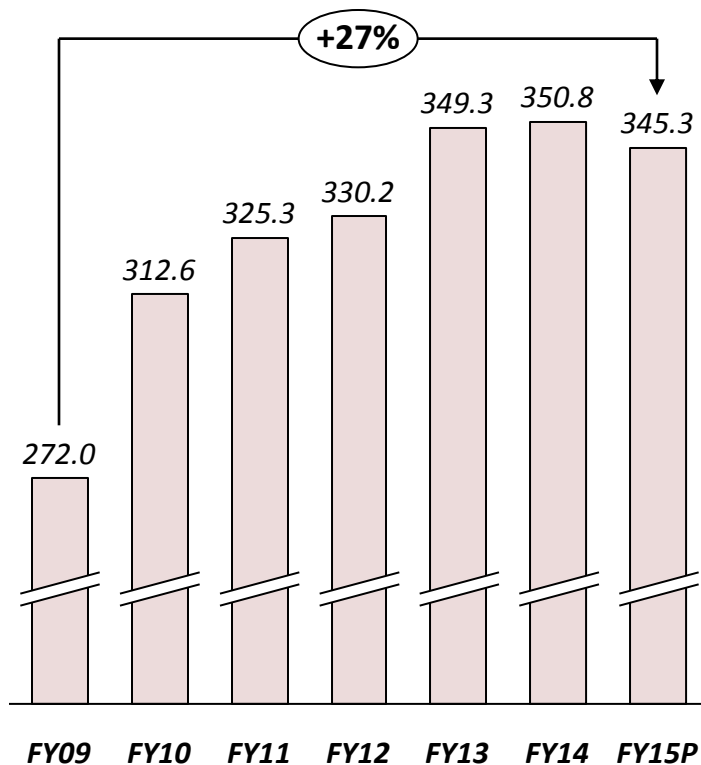
Segment	Activity	Revenue Stream
Liquid Logistics	Logistics	Throughput Fees, Handling & Value Addition Charges
O&M Services	Operations & Maintenance	O&M Fees



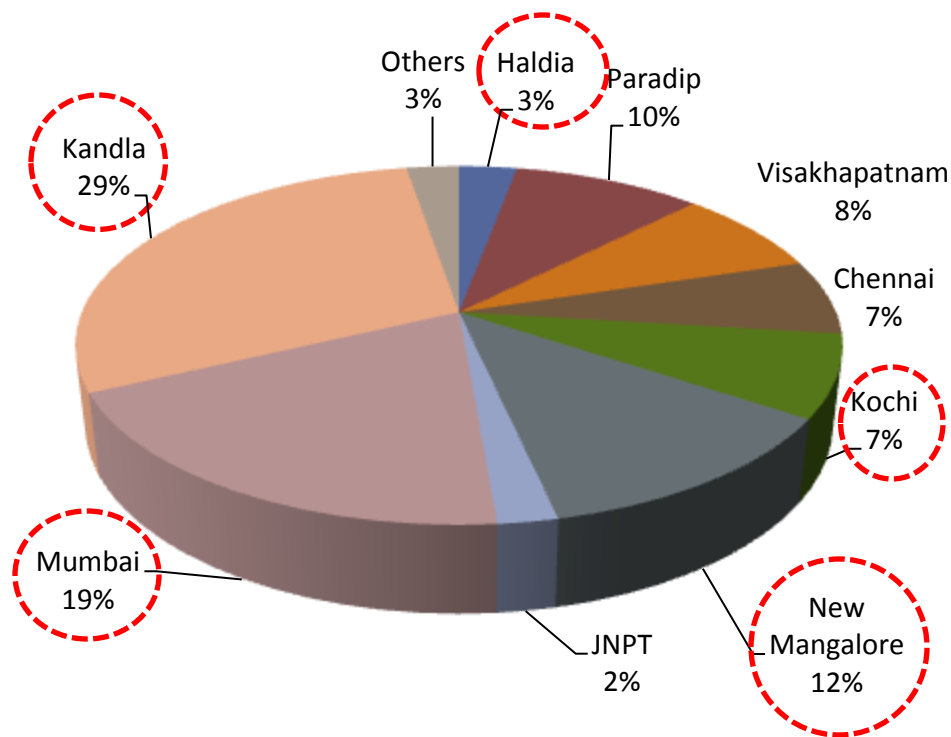
# Liquid\* Traffic at Indian Ports

## 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 – Excludes Chemicals
- Source: Indian Ports Association

# Capacity Expansion in Liquid Division

## 01 Kandla

- ✓ Expansion – 100,000 KL

## 02 Haldia

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

## 03 Mumbai

- ✓ Existing – 273,000 KL

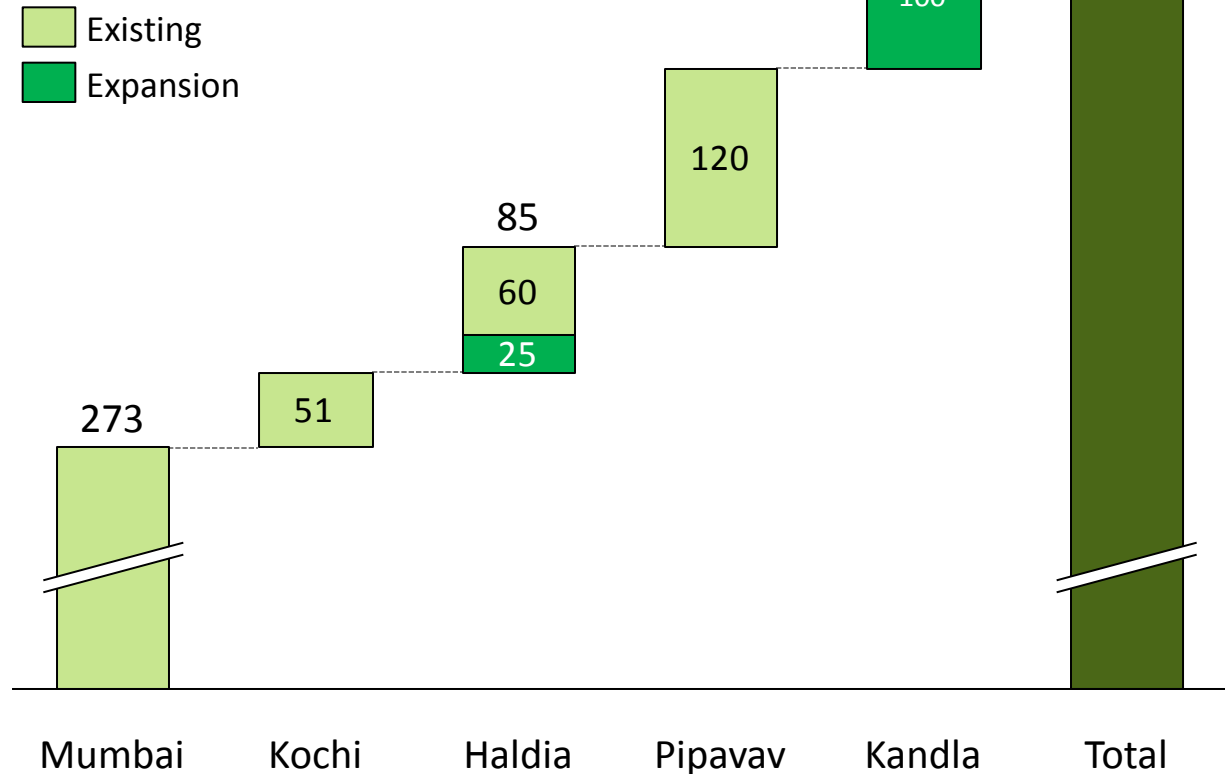
## 04 Pipavav

- ✓ Existing – 120,120

## 05 Kochi

- ✓ Existing – 51,000

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



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

# Greenfield Liquid Terminal Expansion at Kandla Port



## Land

- Total land available 20 acres



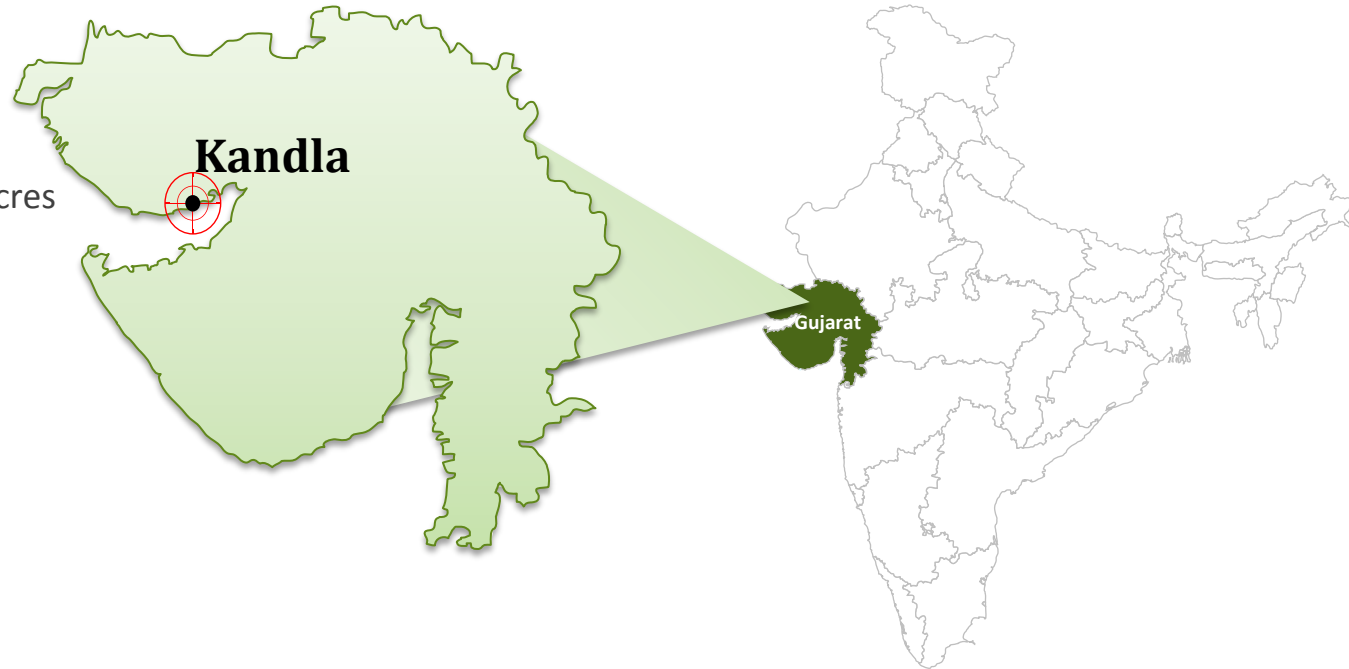
## Project Cost

- Rs 75 crs



## Means of Finance

- Internal Accrual



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

- Port has maintained its **No. 1** position in terms of volume of traffic handled
- With excellent facilities to facilitate performance in Cargo Handling, Faster Turnaround of Ships, Berth Productivity etc the port has handled 55.59 million tons of POL traffic during the year ending March 2015

# Brownfield Liquid Terminal Expansion at Haldia Port



## Land

- Total land available 13 acres



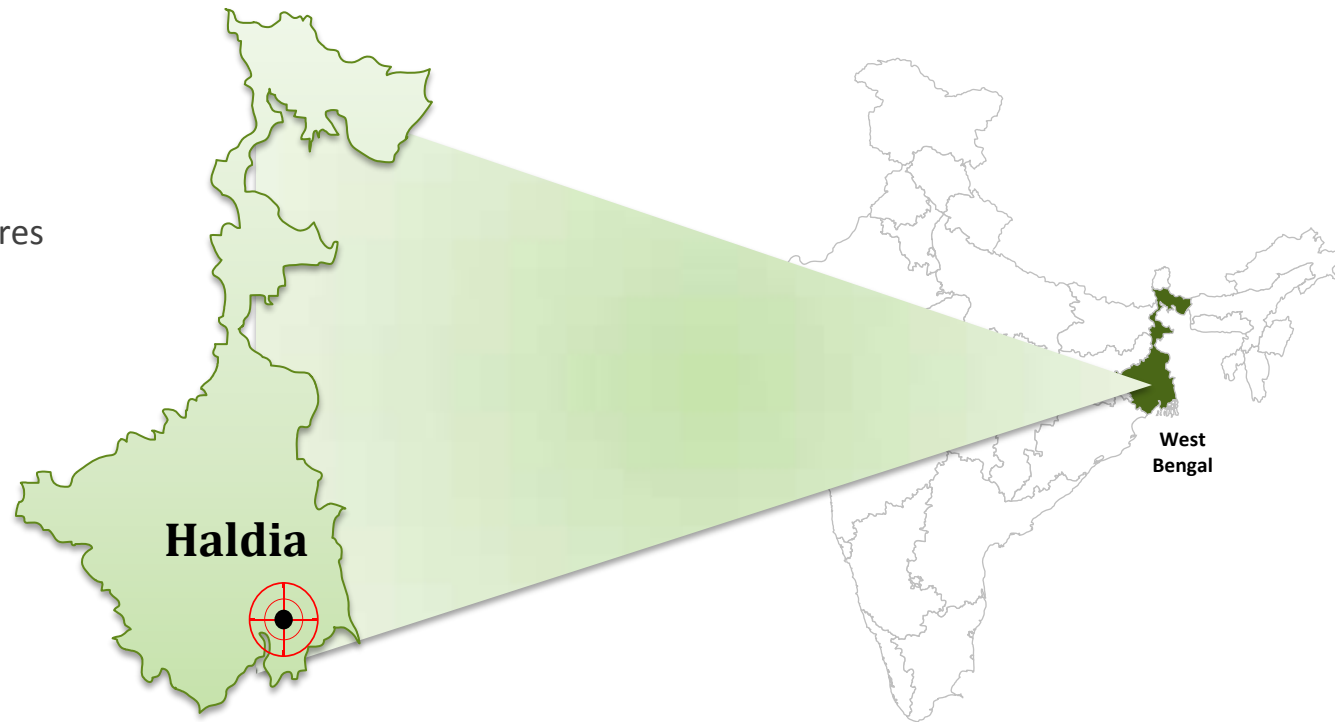
## Project Cost

- Rs 15 crs



## Means of Finance

- Internal Accrual

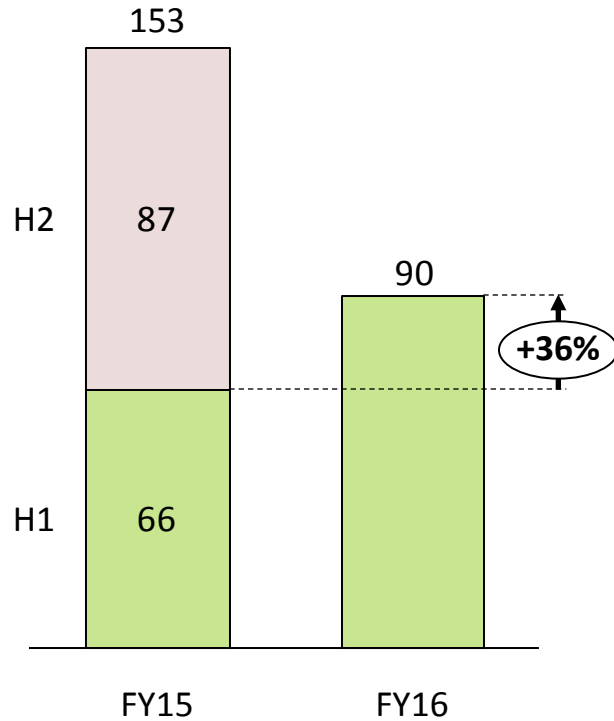


## Brownfield Liquid Terminal Expansion at Haldia Port – 25,000 KL

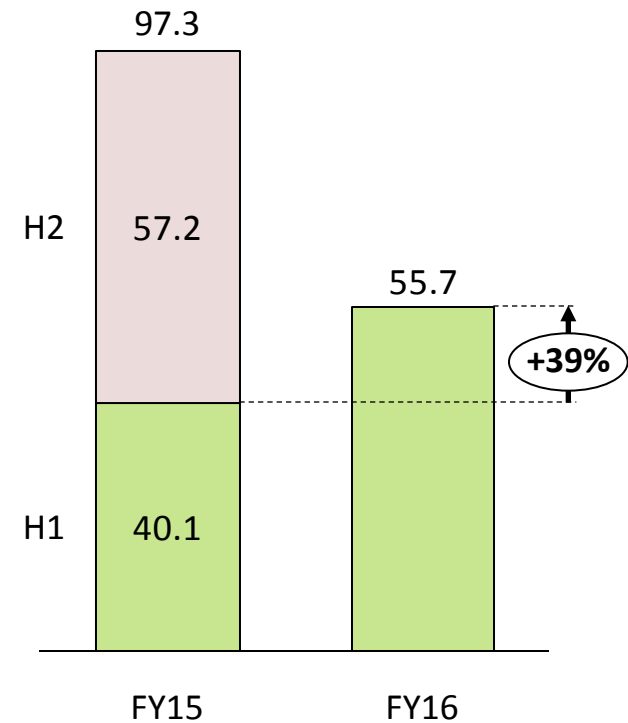
- Haldia Port is the only riverine major Port in India situated on the bank of the Hooghly River
- It has excellent facilities to facilitate performance in Cargo Handling, Faster Turnaround of Ships, Berth Productivity etc
- The Haldia port has handled 5.5 million tons of POL traffic during the year ending March 2015

# Liquid Division Performance

## Revenue (Rs. Crs.)



## Normalized EBITDA (Rs. Crs.) \*

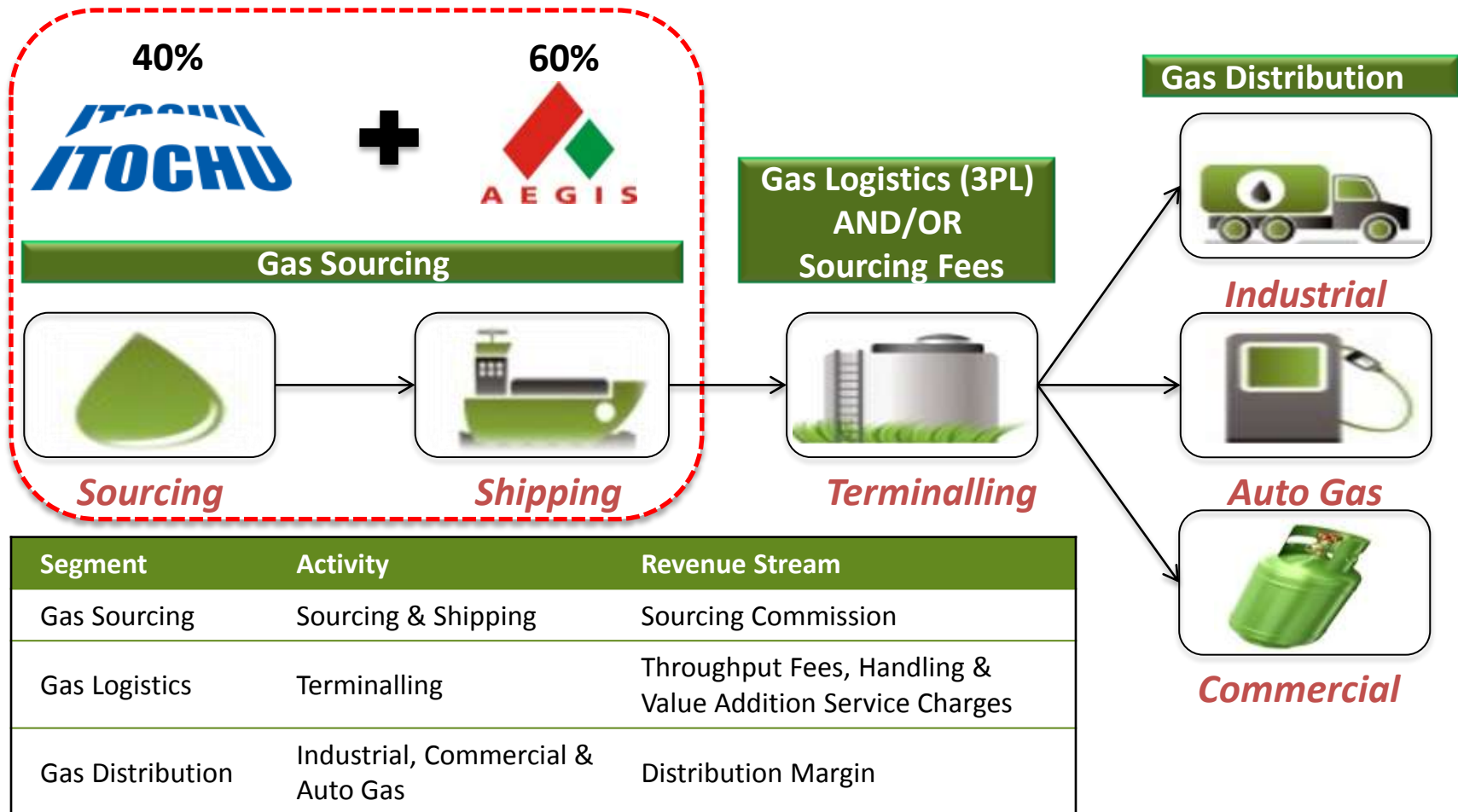


\* - Normalized EBITDA – Before Forex, Hedging Related Expenses

## LPG Terminals - Pipavav



# Capturing Complete Value Chain



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

# Our Gas Distribution Network

## B2C



- **Auto Gas Retailing:** Distribute LPG as Auto Fuel through Gas Station Network
- 102 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
- 76 Commercial Distributors spread across 42 Cities in 7 states



# Current Capacity in Gas Division

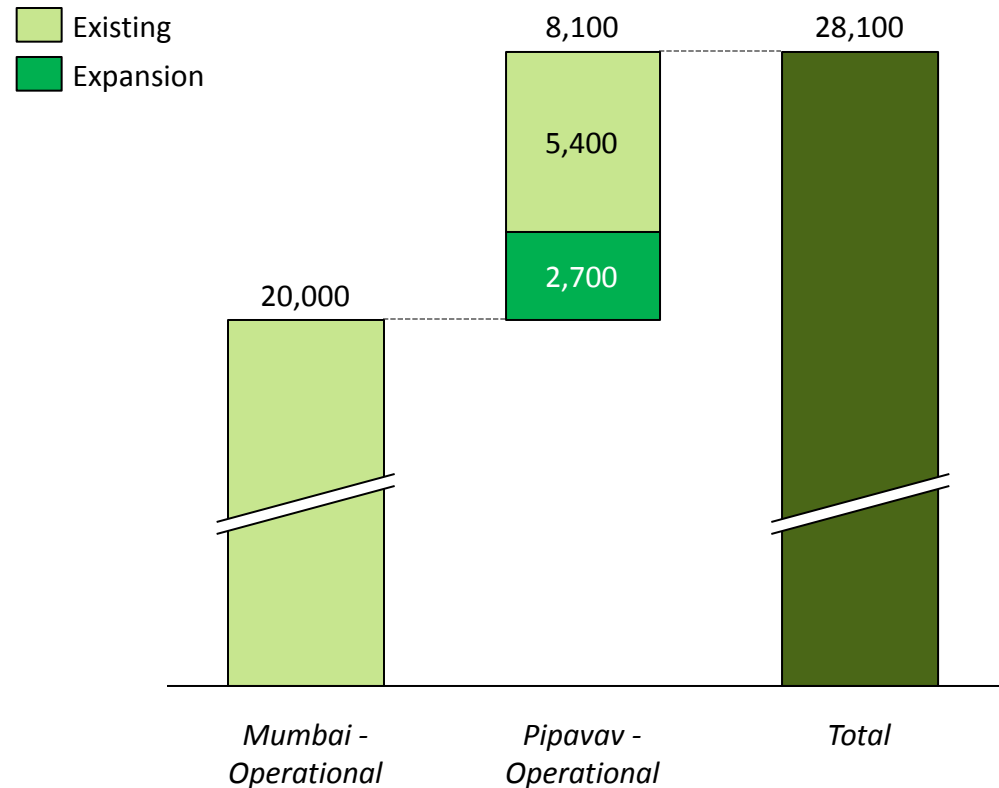
## 01 Mumbai

- ✓ Existing Static Capacity – 20,000 MT
- ✓ Existing Throughput Capacity – 500,000 MT

## 02 Pipavav

- ✓ Expansion Static Capacity – 2700 MT
- ✓ Expansion Throughput Capacity – 100,000 MT
- ✓ Existing Static Capacity – 5,400 MT
- ✓ Existing Throughput Capacity – 200,000 MT

## Built up of Capacities



**Post Expansion : Ability to handle 800,000 MT of LPG per annum at Owned Terminals**

# Brownfield Gas Terminal Expansion at Pipavav Port

## ✓ **Land**

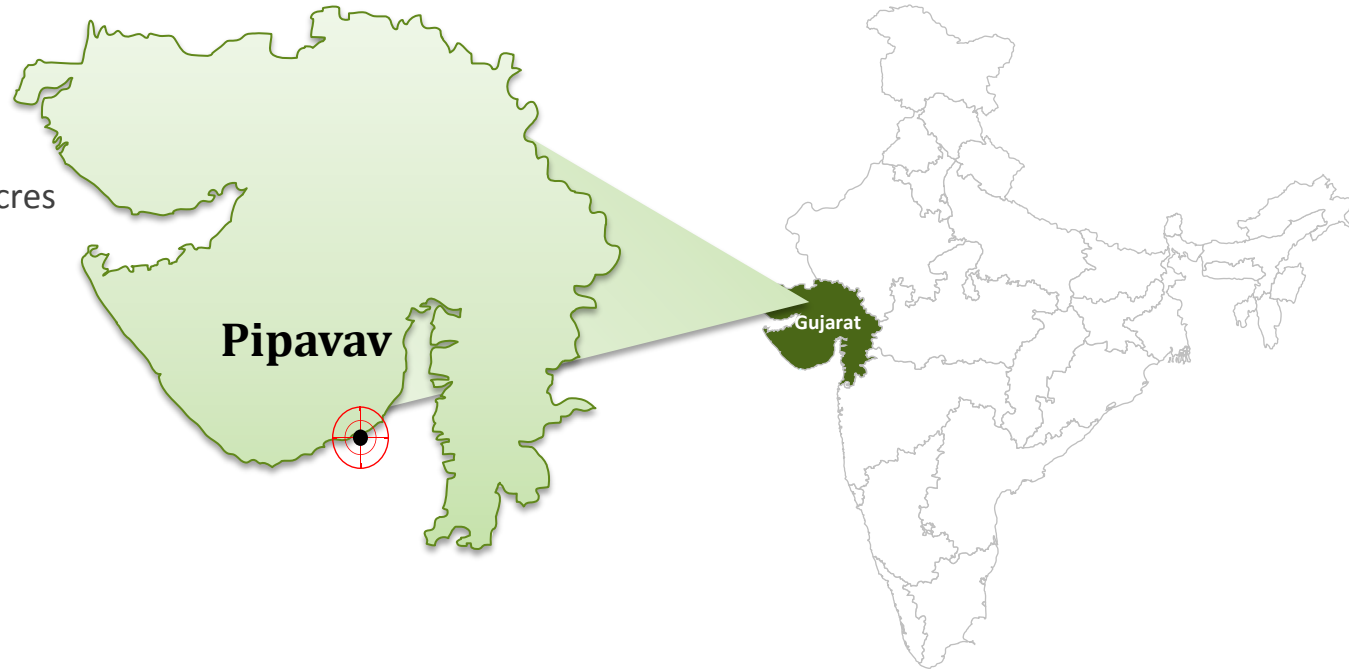
- Total land available 95 acres

## ✓ **Project Cost**

- Rs 15 crs

## ✓ **Means of Finance**

- Internal Accrual



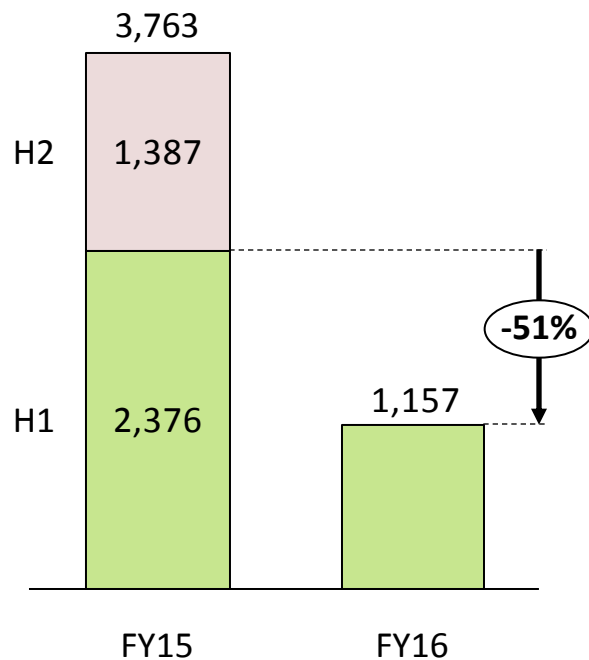
## Brownfield Gas Terminal Expansion at Pipavav Port – 2700 MT

- Pipavav port is strategically located in the Gulf of Khambat, 152 nautical miles north of Mumbai.
- It is an all weather port with 24X7 operations and modern environment friendly infrastructure facilities with well connected road and rail networks.

# Gas Division Performance

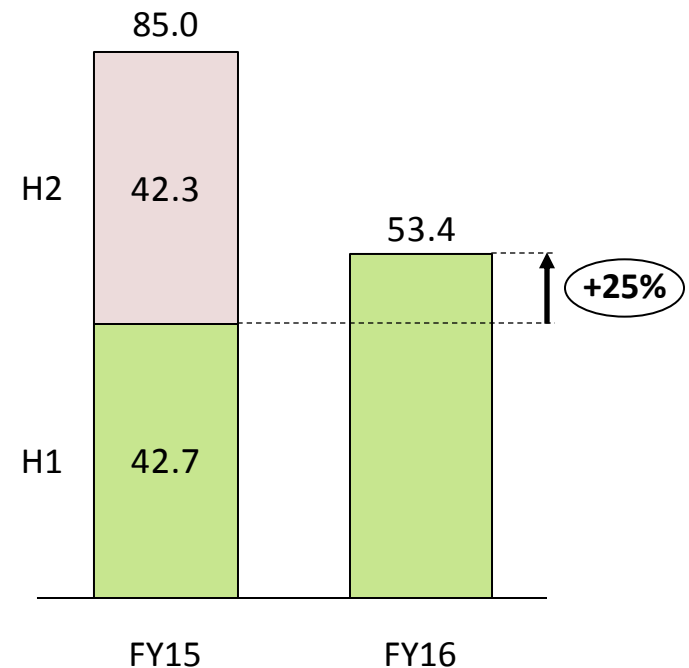
## Revenue (Rs. Crs.)

- Revenues decline majorly due
  - Decline in LPG Prices
  - Reduction in Sourcing volumes



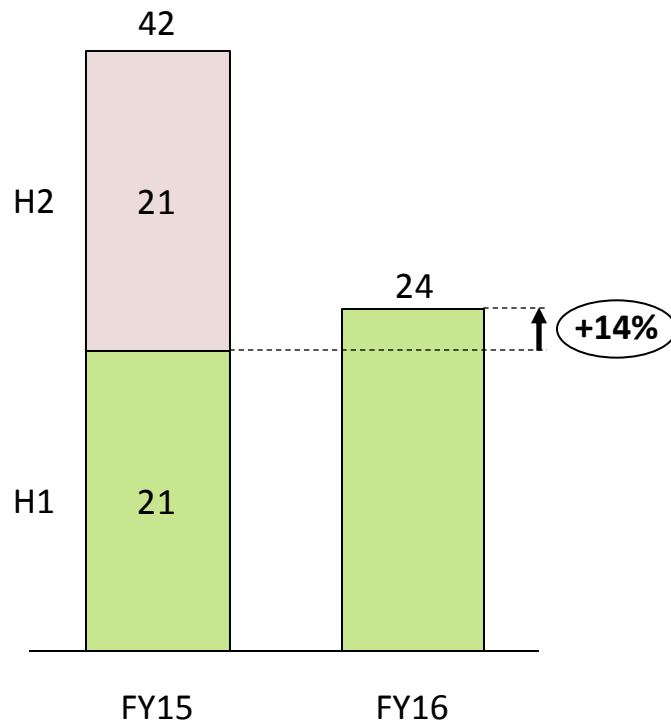
## Normalized EBITDA (Rs. Crs.) \*

- EBITDA improved due to
  - Increased LPG volume handled at our terminals in Mumbai and Pipavav

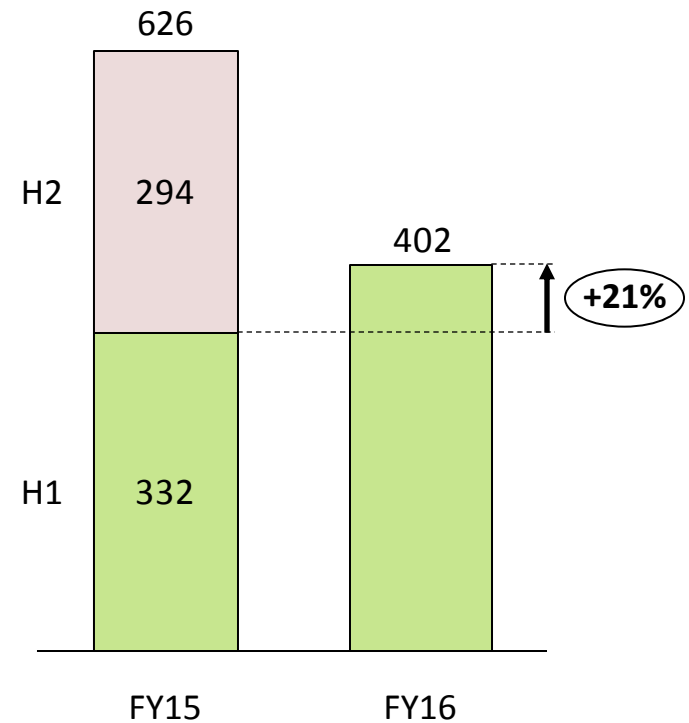


# LPG Volume Break-up

## Distribution ('000 MT)



## Logistics ('000 MT)



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



# Creating 'Leading LPG Sourcing Player in India'

*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

# JV : Best of both Worlds

## Aegis

- ✓ Growing LPG Market in India
- ✓ 0.85 mn MT p.a. throughput capacity at Mumbai and Pipavav Port
- ✓ Strong Customer Relationships with Large Oil Companies
- ✓ Setting up of New LPG Terminals

## ITOCHU

- ✓ Large Volume of LPG Sourcing
- ✓ Efficient and Cost Effective Shipping for High Volumes
- ✓ Strong Negotiating Power
- ✓ Financial Muscle

**Market Share of 20-25% with 2.5 mn MT of sales volume in 5 years**

## Pipeline Infrastructure





## Liquid

- ✓ Operationalise land acquired on long term lease:
  - Build to max capacity at Mangalore and Kandla.
  - Continue expansion at Haldia and Kochi
- ✓ Petroleum rail connectivity at Pipavav
- ✓ Look for land at new ports - to expand the necklace of terminals

## LPG

- ✓ Build new Refrigerated LPG Terminals with associated pipeline, rail and road connectivity.
- ✓ Expand Pipavav LPG terminal capacity
- ✓ Focus on key ports which can handle VLGC's
- ✓ Enhance existing pipeline, rail and road capacity.
- ✓ Leverage Itochu Corporation of Japan's expertise on sourcing and shipping, especially VLGCs

Railway Siding - Pipavav



# Consolidated Profitability Statement

Rs Crs	H1 FY16	H1 FY15	Y-o-Y %
Revenue	1,247	2,438	-49%
Cost of Sales	1083	2304	
Others	55	49	
<b>Normalized EBITDA (Segment) *</b>	<b>109</b>	<b>85</b>	<b>28%</b>
Finance, Hedging & Forex related Expenses (Net)	8	9	
Depreciation	11	11	
Unallocated Expenses	16	13	
<b>Profit Before Tax</b>	<b>74</b>	<b>53</b>	<b>40%</b>
Capital Gains on Divestment	0	0	
Tax on Capital Gains	0	0	
Tax	15	7	
<b>Profit after Tax</b>	<b>59</b>	<b>46</b>	<b>30%</b>
<b>Profit after Tax excluding Capital Gains</b>	<b>59</b>	<b>46</b>	<b>30%</b>

\* - Normalized EBITDA – Before Forex Hedging Related expenses

# Consolidated Balance Sheet

Rs. Crs	Sep-15	Mar-15
<b>Shareholder's Fund</b>	<b>479</b>	<b>427</b>
Share Capital	33	33
Reserves & Surplus	446	394
<b>Minority Interest</b>	<b>34</b>	<b>26</b>
<b>Non-Current Liabilities</b>	<b>156</b>	<b>170</b>
Long Term Borrowings	117	132
Other Non Current Liabilities	39	38
<b>Current Liabilities</b>	<b>242</b>	<b>314</b>
Short Term Borrowings / Buyers Credit	52	63
Trade Payables	130	192
Other Current Liabilities	60	59
<b>Total Liabilities</b>	<b>911</b>	<b>937</b>

Rs. Crs	Sep-15	Mar-15
<b>Non-Current Assets</b>	<b>584</b>	<b>558</b>
Fixed Assets *	510	488
Non-Current Investments	2	3
Other Non-Current Assets	72	67
<b>Current Assets</b>	<b>327</b>	<b>379</b>
Inventories	19	20
Trade Receivables	140	201
Cash and Bank Balances	129	125
Other Current Assets	39	33
<b>Total Assets</b>	<b>911</b>	<b>937</b>

\* - Including Goodwill on Consolidation

# Dividend Track Record

Dividend  
Payout

32%

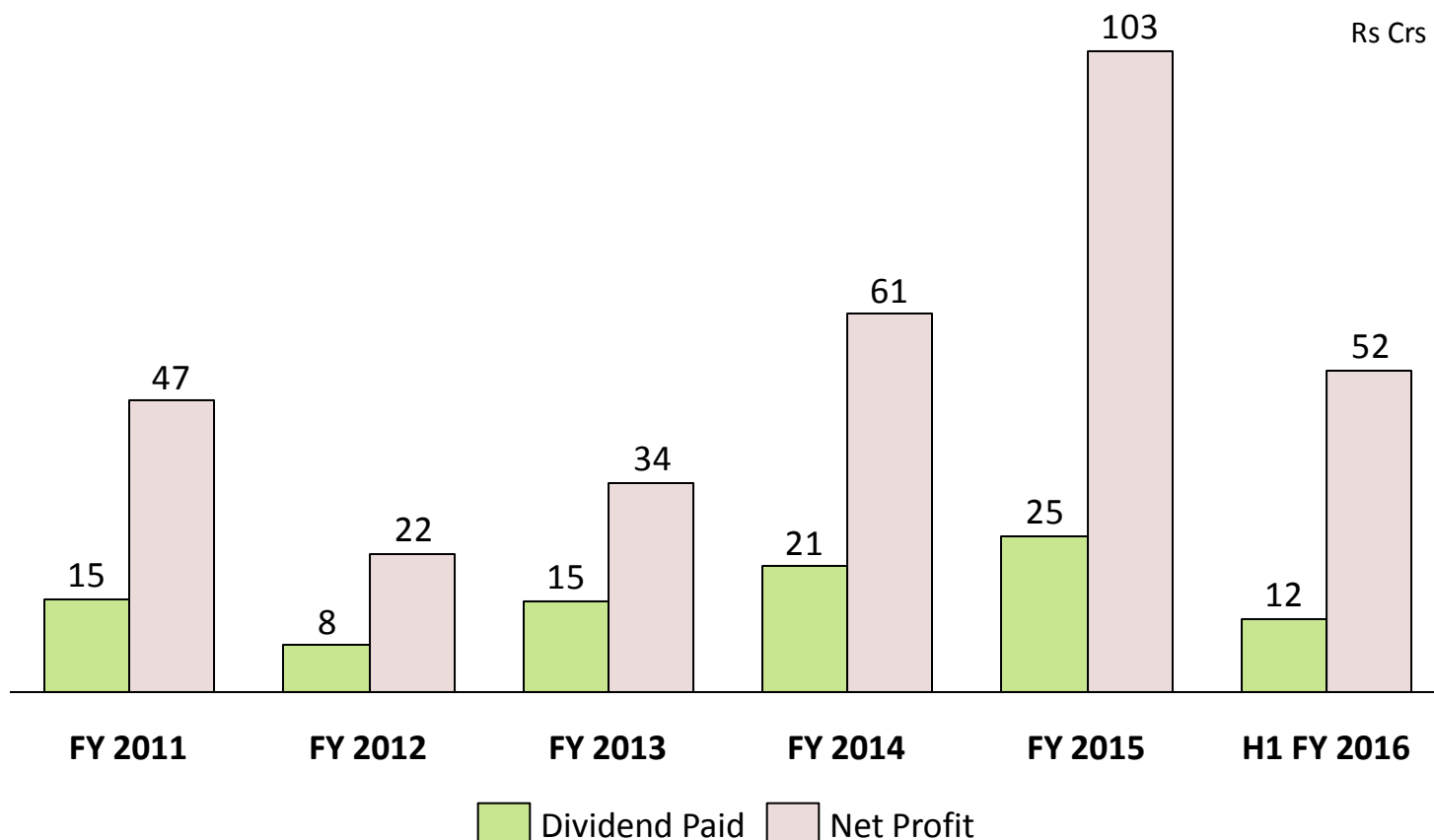
35%

44%

34%

24%

23%



## For further information, please contact:

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