



# **AEGIS LOGISTICS LIMITED**

**Results Update**  
**November 2013**

# Safe Harbor



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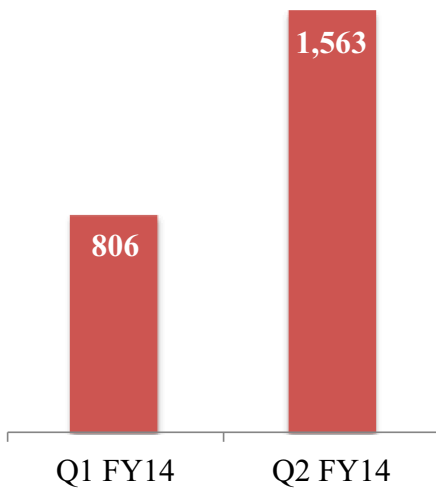
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# Key Performance Highlights



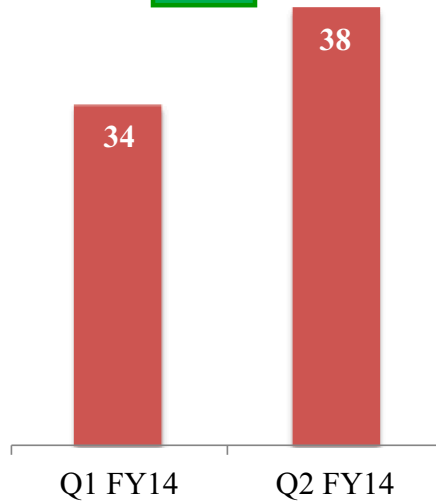
## Revenue (Rs Cr)

94%



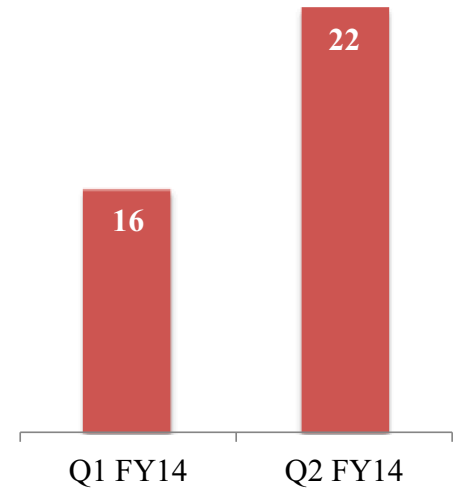
## EBITDA (Rs Cr)

10%



## PAT (Rs Cr)

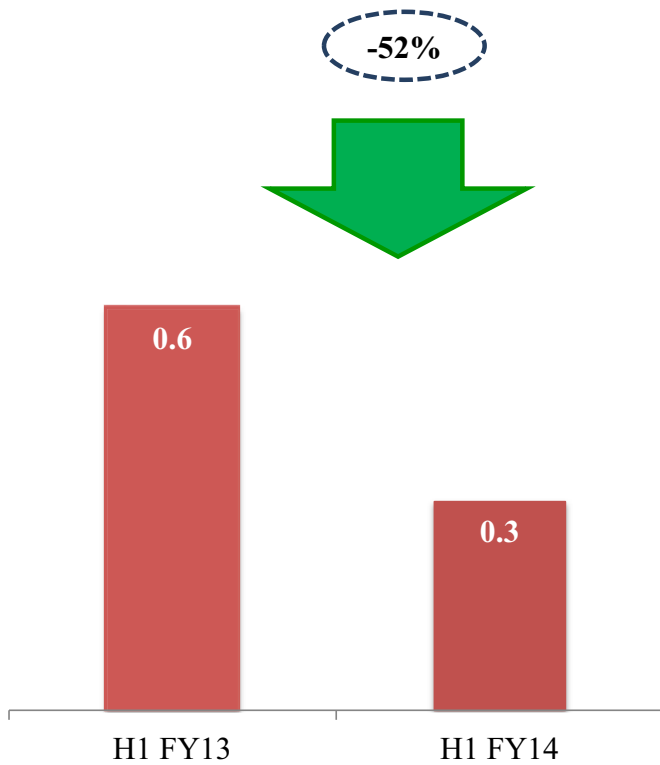
42%



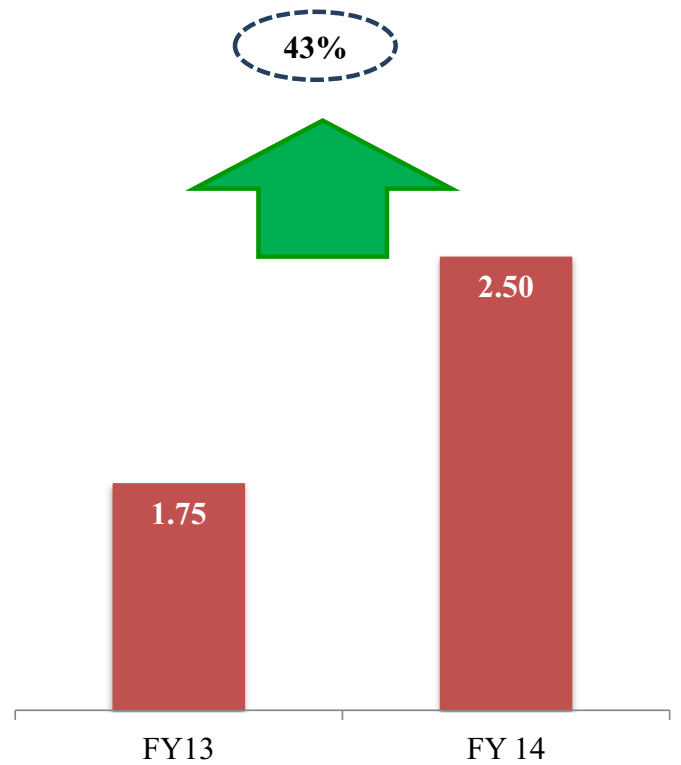
# Key Performance Highlights



## Net Debt to Equity Ratio



## Interim Dividend (Rs Per Share)



# Site Photographs



**Haldia Project**



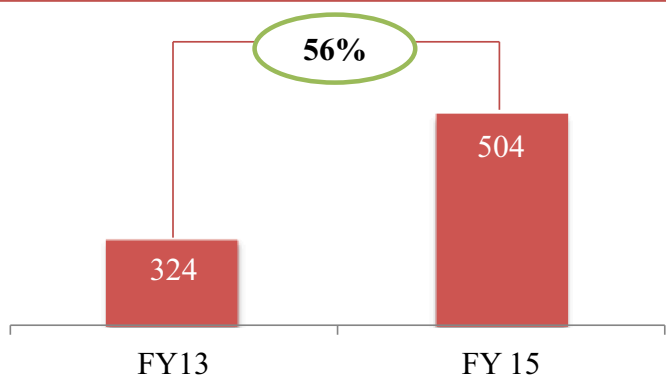
**Pipavav Project**



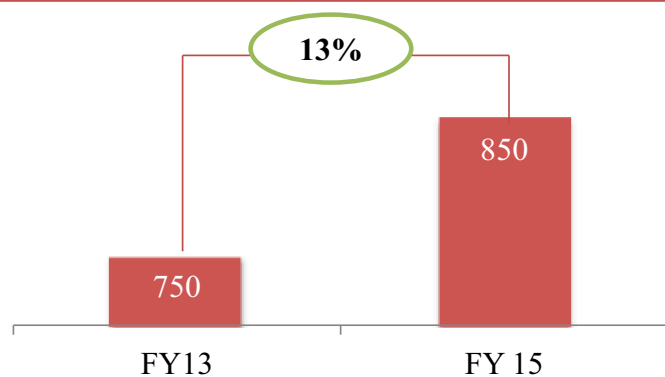
# Growth Plans



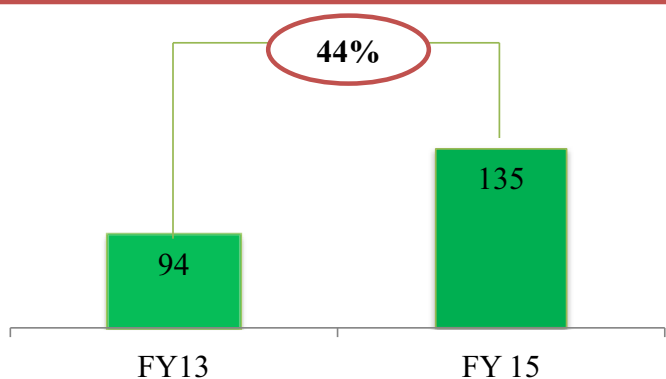
### Liquid Division Capacity ('000 KL)



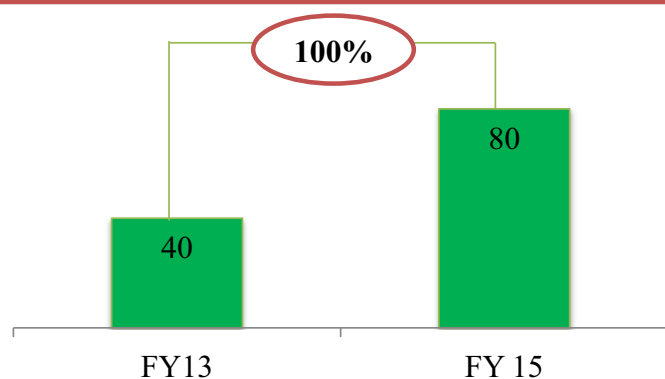
### Gas Division Handling Capacity ('000 MT)



### Auto Gas Stations



### Distributor Network



## Business Update

# Our Liquid Division



## Business Model

- Third Party Liquid Logistics (3PL)
- O&M Services
- **Revenue Model**
  - Fee based Revenue Model
  - Handling and Other Service Charges
  - O&M Fees

## Existing Operative Storage Facilities

Existing Facilities	Location	Capacity (KL)
Trombay	Mumbai	1,98,000
Ambapada	Mumbai	75,000
Kochi	Kochi	51,000
Haldia	West Bengal	15,100





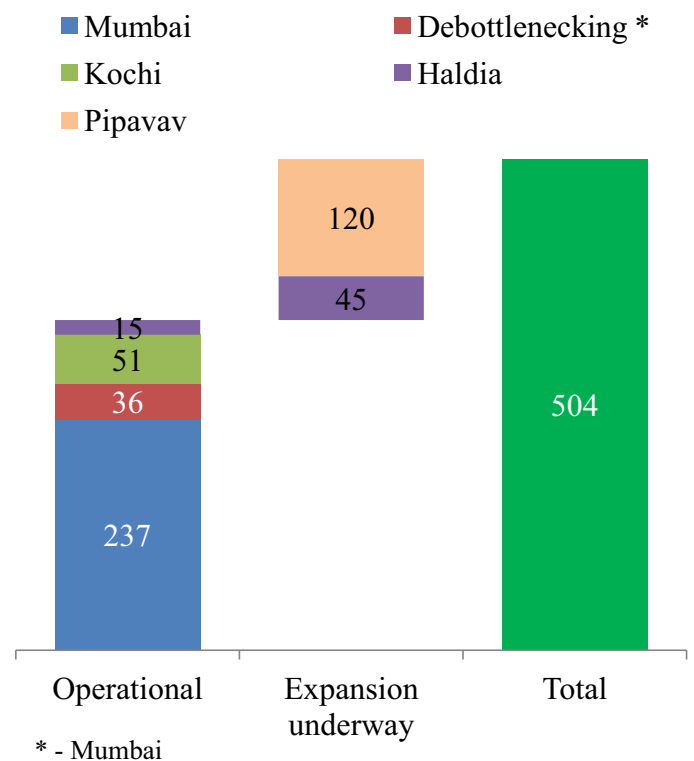
# Liquid Division – Capacity Expansion



## Update on Expansion

- **New Project: 60,190 KL at Haldia (Greenfield)**
  - Project Cost ~Rs. 48 Cr, Rs. 44 Cr spent till September 13
  - Debt – Rs. 30 Cr; Internal Accruals – Rs. 14 Cr
  - Phase I of 15,100 KL Commissioned in Q1 FY14
  - Phase II of 23,400 ready for Commissioning
  - Full Capacity expected to be completed by end Q3 FY14
  
- **Expansion: 120,000 KL at Pipavav**
  - **Project Cost ~Rs. 101 Cr, over Rs 55 Cr spent till September 13**
  - Planned Debt – 65%; Internal Accruals – 35%
  - Ground Breaking done in Feb 2013
  - Commercial Operation expected by H2 FY15

## Liquid Division Capacities ('000 KL)

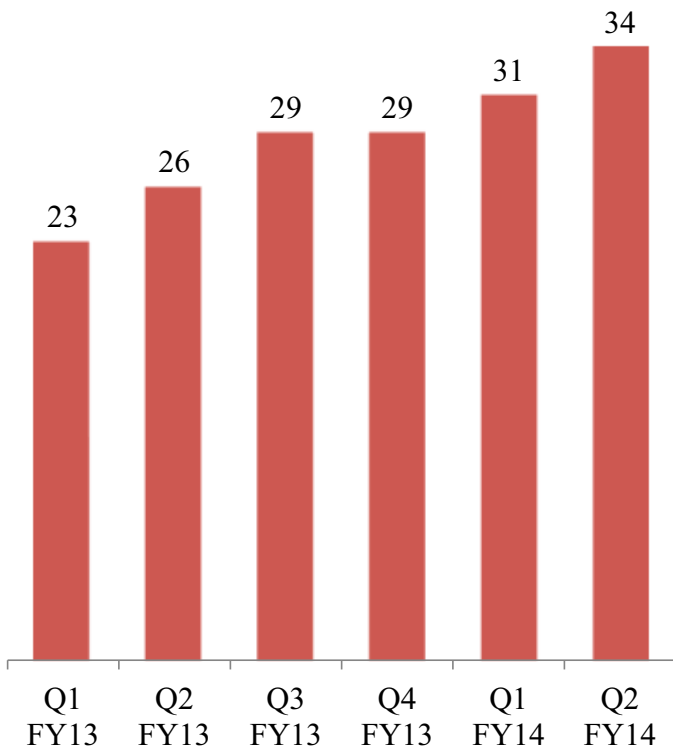


**Post expansion : Total capacity to reach ~ 500,000 KL**

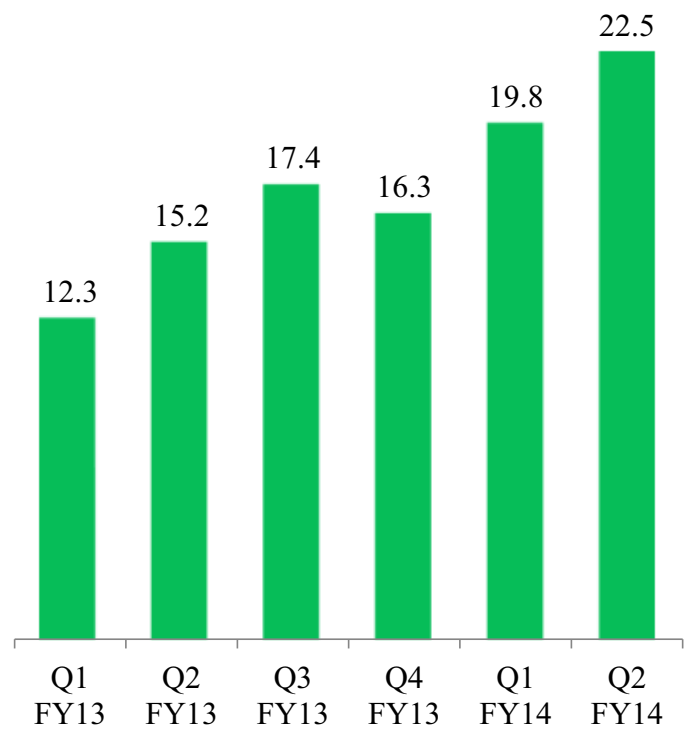
# Liquid Division Performance



Revenue (Rs. Cr)



Normalized EBITDA (Rs. Cr)



# Our Gas Division



## Business Model

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

### Revenue Model

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



## Existing Throughput Facilities & Capacity

Existing Facilities	Location	Capacity (MT)	Annual Throughput Capacity (Est.)
Trombay	Mumbai	20,000	6,50,000 MT
Pipavav	Gujarat	2,700	1,00,000 MT

## Existing Distribution Facilities & Capacity

- Bottling Plant at Kheda of 360 MT
- 45 Commercial & Industrial Distributors spread over 27 Cities in 5 States
- 94 Auto Gas Stations
- Acquisition of two Bottling Plants in South India



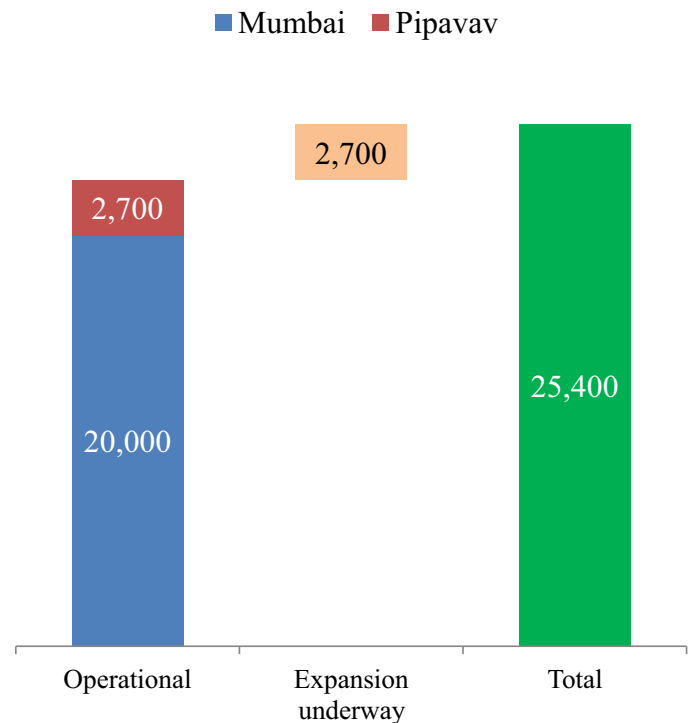
# Gas Division – Capacity Expansion



## Update on Expansion

- **Expansion: 2,700 MT at Pipavav**
  - Project Cost ~Rs. 22 Cr, over Rs 5 Cr spent till September 13
  - Planned Debt – 65%; Internal Accruals – 35%
  - Status : Project work progressing well
  - Commercial operation to start in H2 FY15
- Over 30 Auto Gas Stations in progress
- Acquired bottling plants in South India to widen the distribution network of Gas Retailing
  - It will also help in cost effective logistics of Auto Gas and Packed Gas Distribution
- Additional 41 Auto Gas Stations by FY15
- Additional 35 Commercial & Industrial Distributors by FY15

## Gas Division Capacities (MT)



**Post expansion : Total Handling Capacity to reach ~ 850,000 MT**

# Gas Distribution: B2C-A Key Growth Driver



## Auto LPG retail

- Distributes LPG as auto fuel through a network of gas stations
- **Brand** : “Aegis Autogas”
- **End Users**: Vehicles with Gas Kit
- **Distribution Network** : 94 auto-gas stations across 7 States
- **Expansion Plan**: Around 30 stations under progress

## Commercial LPG

- Supply packed LPG Cylinders for Commercial use
- **Brand** : “Aegis Puregas”
- **End Users** : Hotels, Restaurants & Other Commercial Establishments
- **Distribution Network** : 45 Distributors across Maharashtra, Karnataka & Gujarat
- **Expansion Plan** : Leveraging existing Auto gas dealers network to penetrate in other states

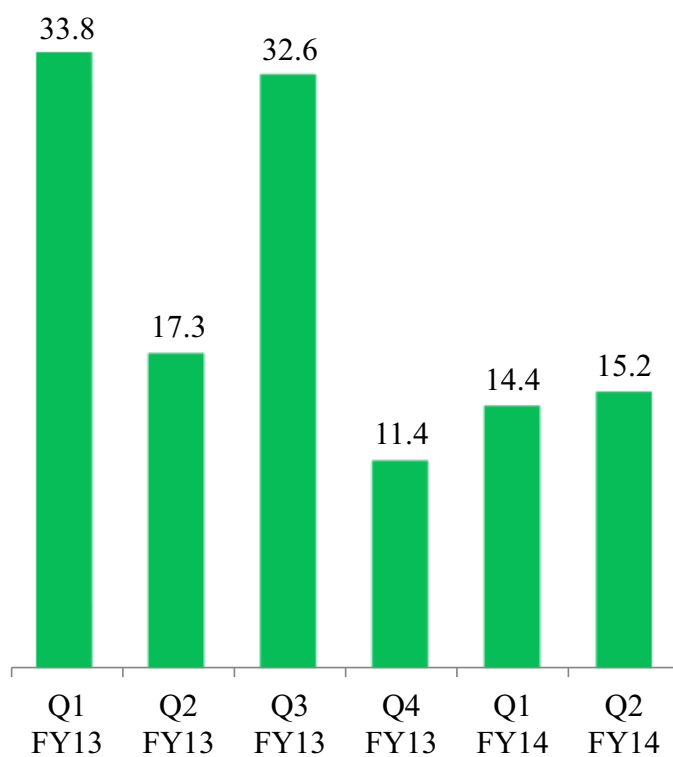
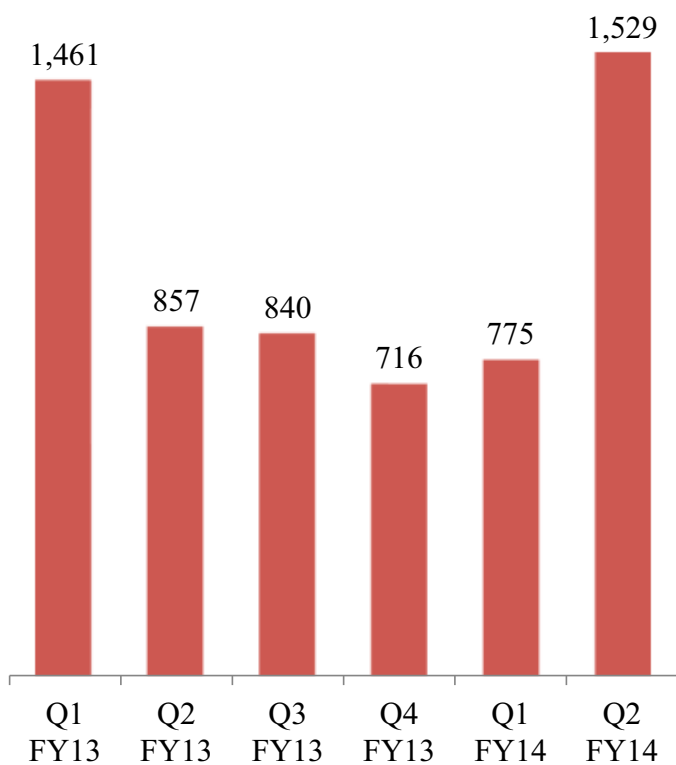
**Recent Reforms enlarges market for Distribution Business**

# Gas Division Performance



**Revenue (Rs. Cr)**

**Normalized EBITDA (Rs. Cr) \***

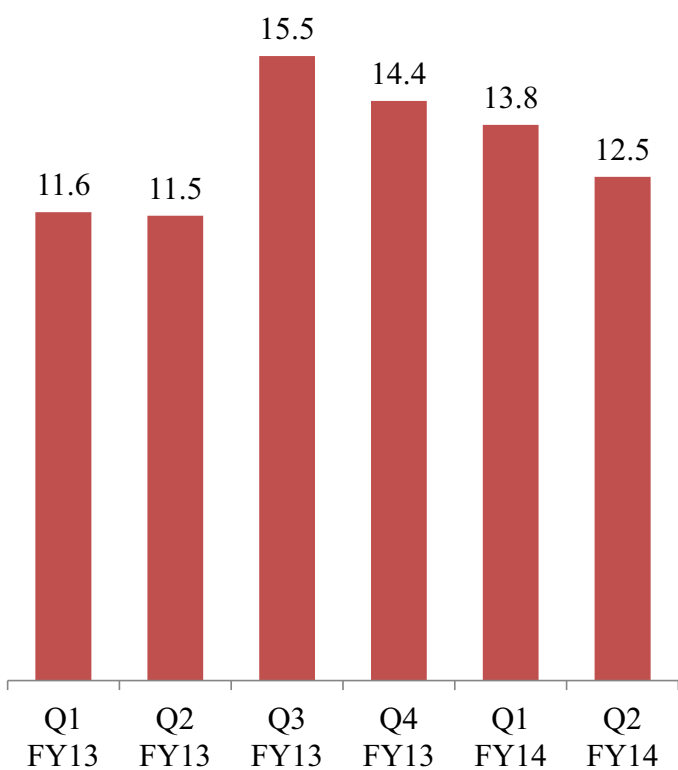


\* - Normalized EBITDA – Before Forex, Hedging Related Expenses

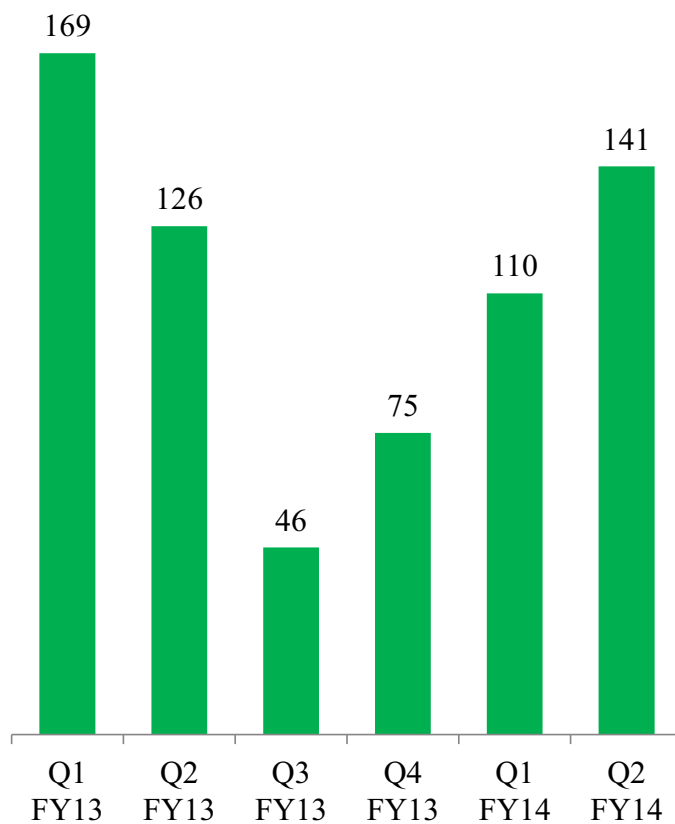
# Gas Division Volume Break-up



**Distribution ('000 MT)**



**Logistics ('000 MT)**



# Positive Reforms



## Subsidy Reforms

- **Cap on Supply of Nine Cylinders**
  - Cap on supply of Nine LPG Cylinders to curb diversion of Subsidized Gas Cylinders to Industrial , Commercial and Auto Gas usage to a considerable extent
- **Direct Benefit Transfer (DBT)**
  - Direct Benefit Transfer of Subsidies through UID to eliminate differential pricing in Domestic Gas Cylinder Segment
- **Diesel Price Increase**
  - Partially deregulation of the diesel price, allowing for a hike of 40-50 paise a litre per month for retail customers thereby reducing the subsidy on Diesel
- **Natural Gas Price Increase**
  - CCEA's approval to hike the natural gas price to \$ 8.4 per mmbtu from \$ 4.2 at present

**Opens up a Level playing field for Parallel Marketers with LPG becoming more competitive**



## Financials

## Consolidated Quarterly P&L



Rs. Cr	Q2 FY14	Q1 FY14	Q-O-Q	H1 FY14	FY13
Revenue	1,563	806	94%	2,369	3,982
Cost of Sales	1,506	752		2,258	3,763
Other Expenses (Income)	19	20		39	63
<b>Normalized EBITDA (Segment) *</b>	<b>38</b>	<b>34</b>	<b>10%</b>	<b>72</b>	<b>156</b>
Finance, Hedging & Forex related Expenses (Net)	1	3		4	62
Depreciation	6	5		11	19
Unallocated Expenses	6	6		12	22
Profit Before Tax	25	20		45	53
Tax	3	4		7	18
<b>Profit after Tax</b>	<b>22</b>	<b>16</b>	<b>42%</b>	<b>38</b>	<b>35</b>

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

# Consolidated Balance Sheet



Rs. Crs	Sep -13	Mar-13
<b>Shareholder's Fund</b>	<b>345</b>	<b>309</b>
ShareCapital	33	33
Reserves & Surplus	311	276
<b>Minority Interest</b>	<b>8</b>	<b>5</b>
<b>Non-Current Liabilities</b>	<b>146</b>	<b>155</b>
Long Term Borrowings	108	118
Other Non Current Liabilities	38	37
<b>Current Liabilities</b>	<b>1,110</b>	<b>536</b>
Short Term Borrowings / Buyers Credit	120	195
Trade Payables	945	286
Other Current Liabilities	45	55
<b>Total Liabilities</b>	<b>1,608</b>	<b>1,005</b>

Rs. Crs	Sep -13	Mar-13
<b>Non-Current Assets</b>	<b>505</b>	<b>449</b>
Fixed Assets *	424	378
Non-Current Investments	10	10
Other Non-Current Assets	71	61
<b>Current Assets</b>	<b>1,103</b>	<b>556</b>
Inventories	20	19
Trade Receivables	889	297
Cash and Bank Balances	141	205
Other Current Assets	53	35
<b>Total Assets</b>	<b>1,608</b>	<b>1,005</b>

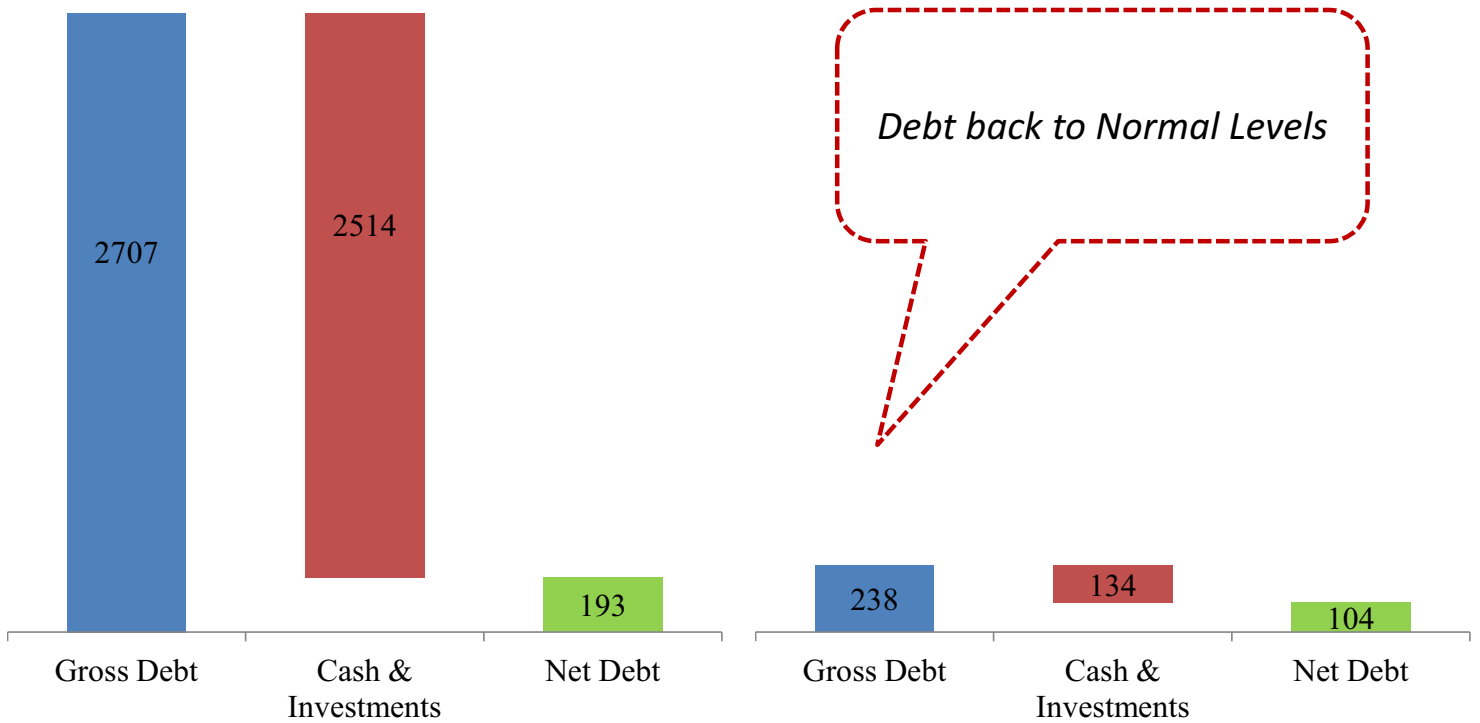
\* - Including Goodwill on Consolidation

# Post Unwinding of Options Contracts...



H1 FY 2013 (Rs. Crs)

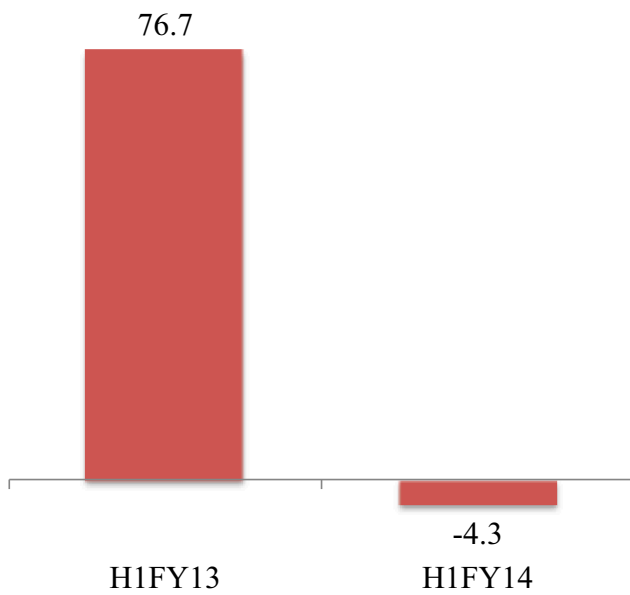
H1 FY 2014 (Rs. Crs)



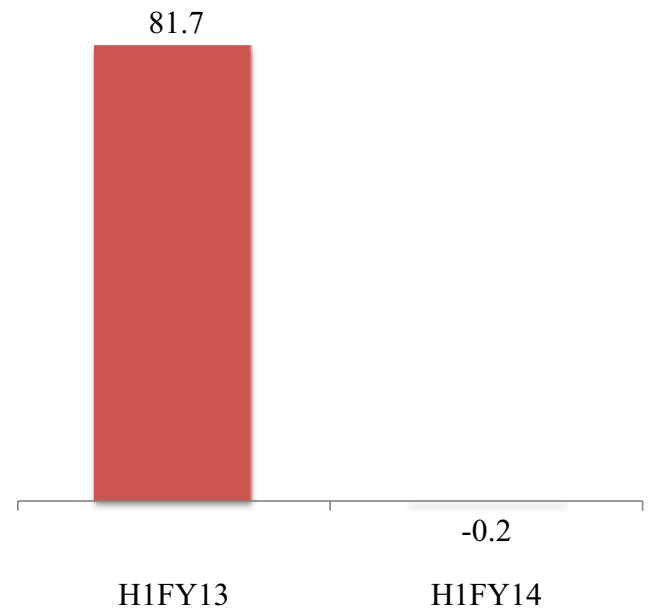
## Post Unwinding of Options Contracts...



**Reduced Net Interest Income (Rs. Cr)**



**Reduced Net Forex Cost (Rs. Cr)**



**...the Interest and Forex Cost has Normalized**

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