



# AEGIS LOGISTICS LIMITED

**Results Update**  
**August 2013**

# Safe Harbor



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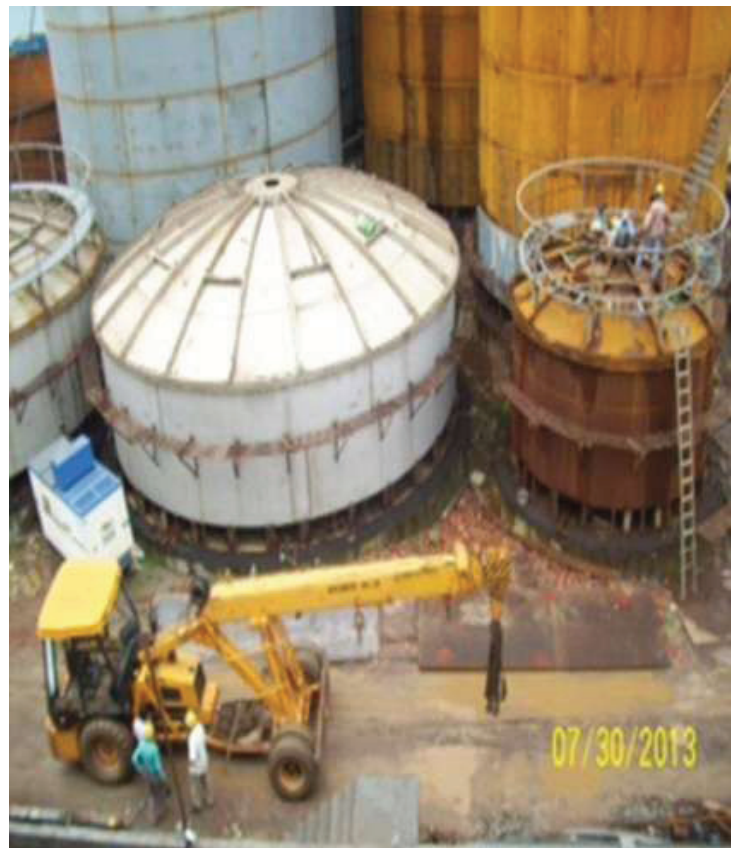
## Key Highlights for Q1FY14



- Revenues of Rs. 806 Cr, a Q-o-Q growth of 8%
- EBITDA of Rs. 34 Cr, a Q-o-Q growth of 23%
- PAT of Rs. 16 Cr
- Phase I of Pipavav Project progressing well
  - Amount spent till June '13 - Rs 19.7 Cr
- Haldia Project
  - Phase I of 15,100 KL commissioned
  - Phase II – 45,090 KL is on schedule to get completed during Q2 FY14
- 94 Operational Auto Gas Stations
- Acquired bottling plants in South India to widen the distribution network of Gas Retailing



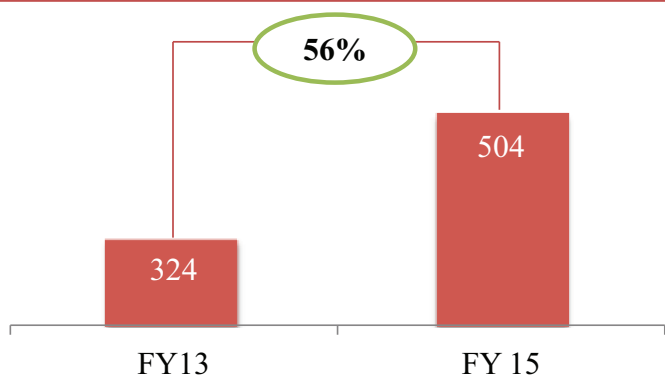
# Haldia Project - Site Photographs



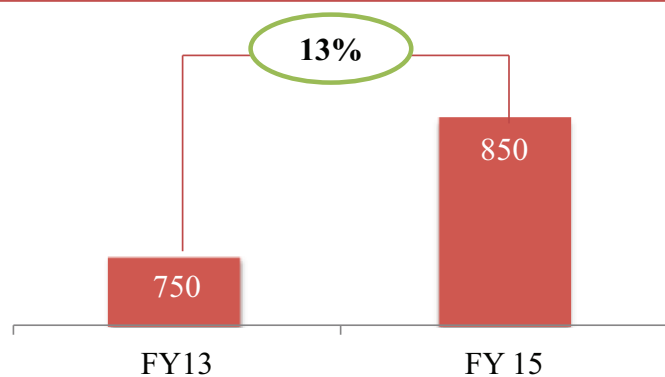
# Growth Plans



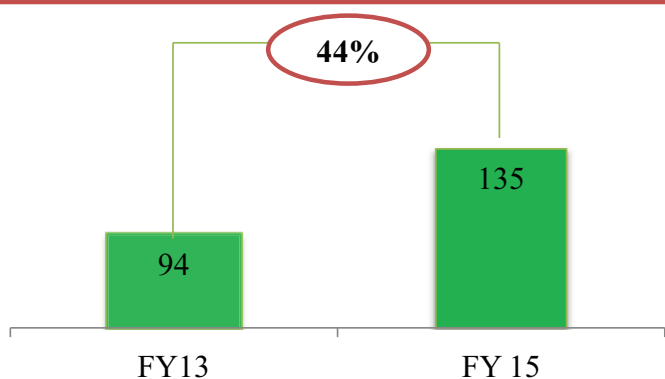
### Liquid Division Capacity ('000 KL)



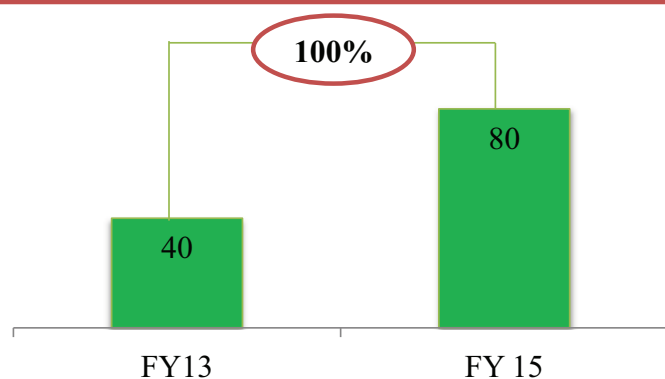
### Gas Division Handling Capacity ('000 MT)



### 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 Storage Facilities & Capacity

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



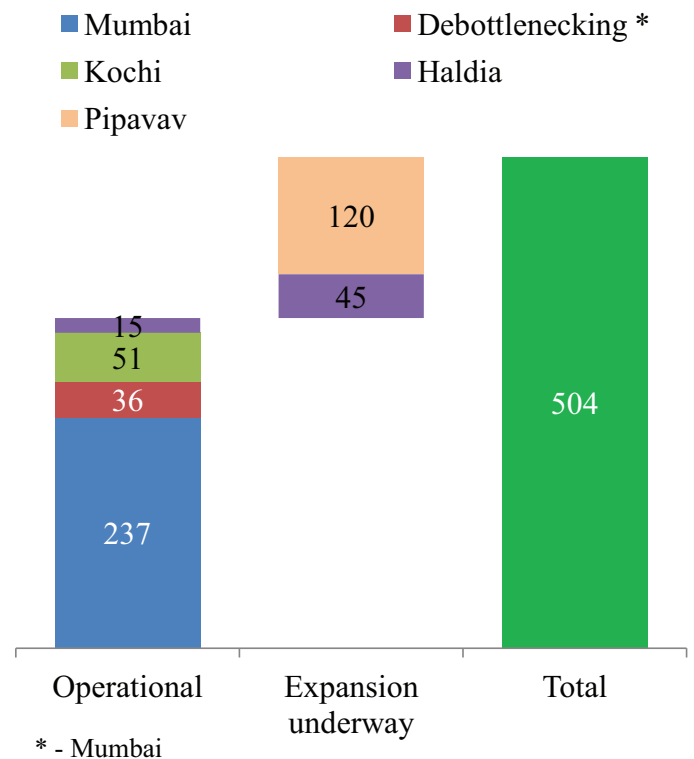
# Liquid Division – Capacity Expansion



## Update on Expansion

- **New Project: 60,190 KL at Haldia (Greenfield)**
  - Project Cost ~Rs. 48 Cr, Rs. 41 Cr spent till June 13
  - Debt – Rs. 30 Cr; Internal Accruals – Rs. 11 Cr
  - Phase I of 15,100 KL commissioned in Q1 FY14
  - Full Capacity expected to be operational by Q2 FY14
- **Expansion: 120,000 KL at Pipavav**
  - Project Cost ~Rs. 101 Cr
  - Debt – 65%; Internal Accruals – 35%
  - Ground Breaking done in Feb 2013 and Project work as per schedule
  - Commercial operation expected to start in FY15

## Liquid Division Capacities ('000 KL)



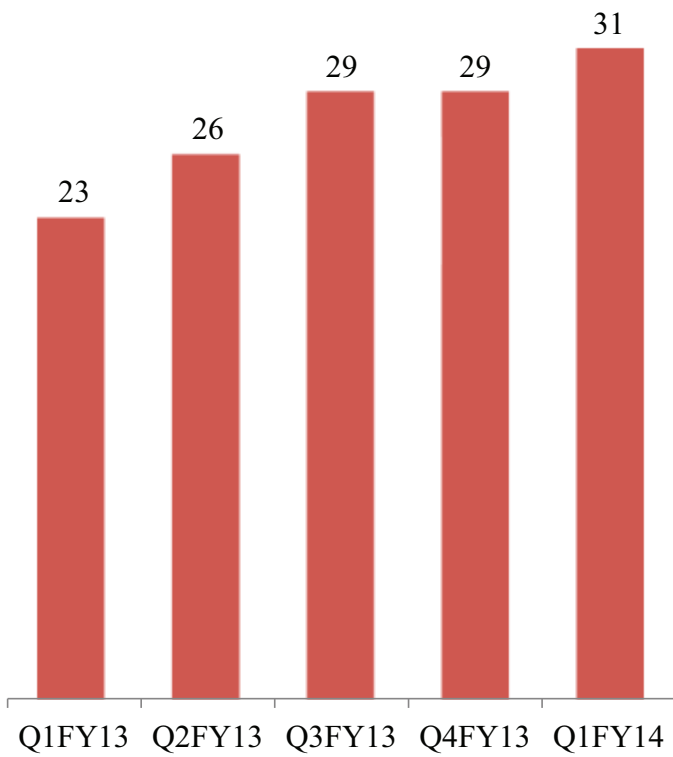
**Post expansion : Total capacity to reach ~ 500,000 KL**



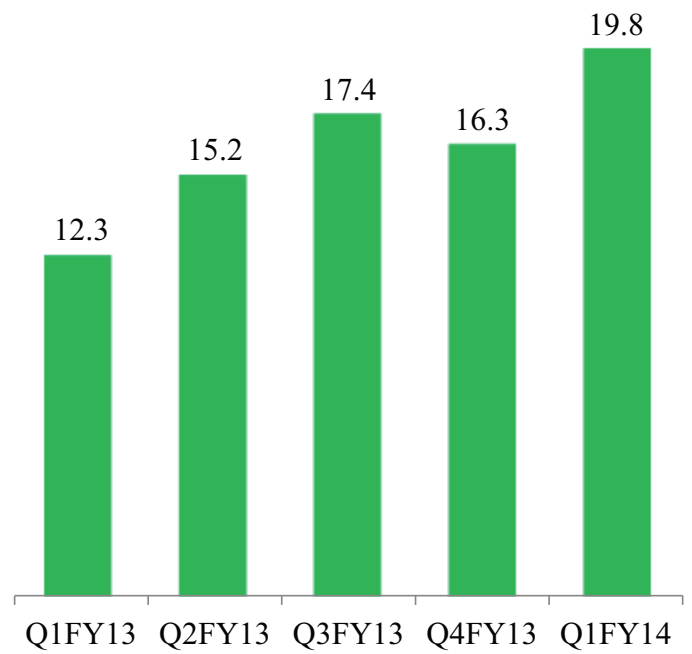
# Liquid Division Performance



**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
- 94 Auto Gas Stations
- Two new Bottling Plant in South India



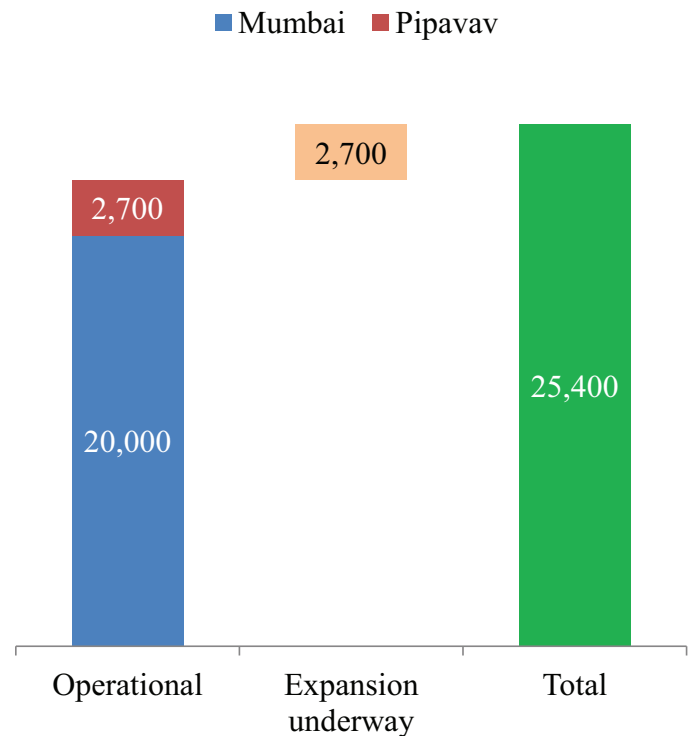
# Gas Division – Capacity Expansion



## Update on Expansion

- **Expansion: 2,700 MT at Pipavav**
  - Project Cost ~Rs. 22 Cr
  - Debt – 65%; Internal Accruals – 35%
  - Status : Project work progressing well
  - Commercial operation to start in FY15
- Over 30 Auto Gas Stations in process
- 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**

# Reforms – A Game Changer



## 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**

# Gas Distribution: B2C-A Key Growth Driver



## Auto LPG retail

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- 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

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- Supply packed LPG Cylinders for Commercial use
- **Brand** : “Aegis Puregas”
- **End Users** : Hotels, Restaurants & Other Commercial Establishments
- **Distribution Network** : **40** Distributors across Maharashtra, Karnataka & Gujarat
- **Expansion Plan** : Leveraging existing Auto gas dealers network to penetrate in other states

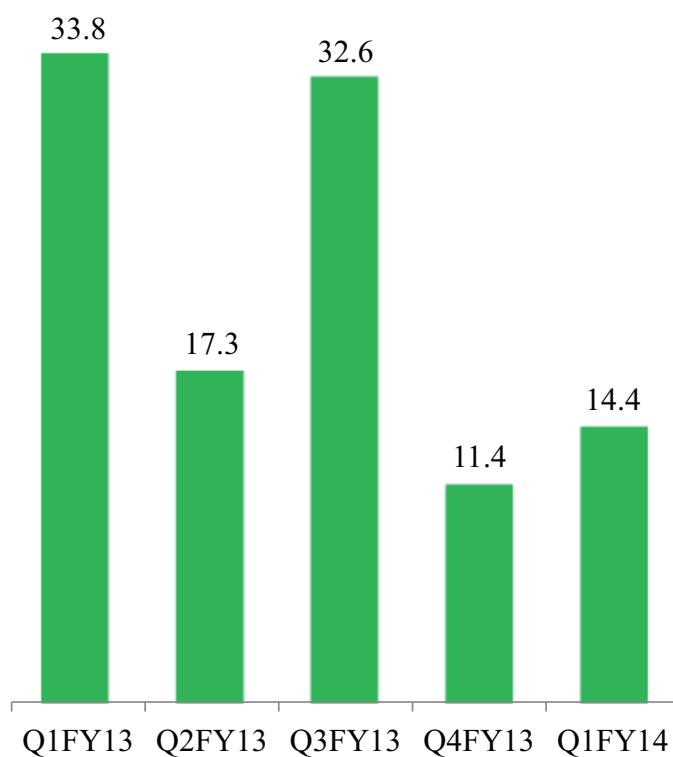
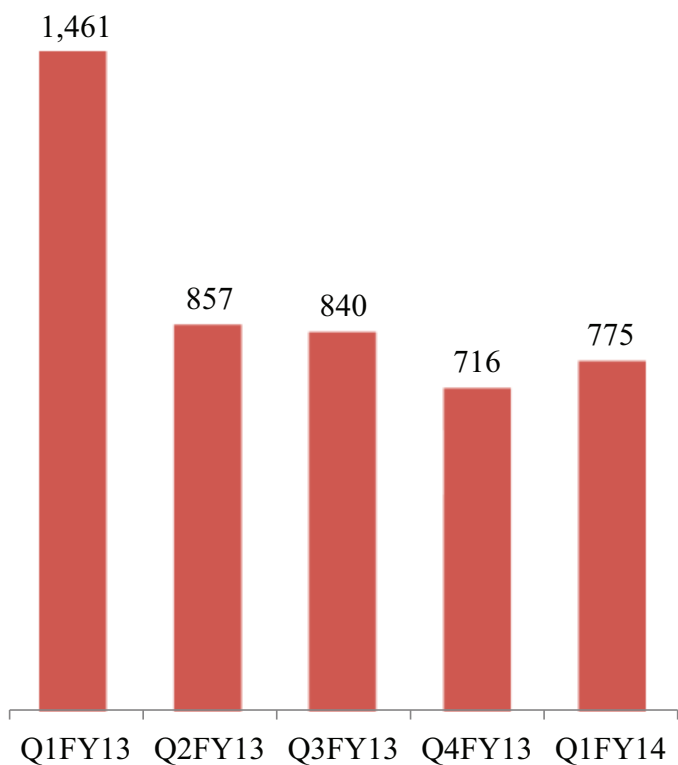
**Recent Reforms enlarges market for Distribution Business**

# Gas Division Performance



**Revenue (Rs. Cr)**

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

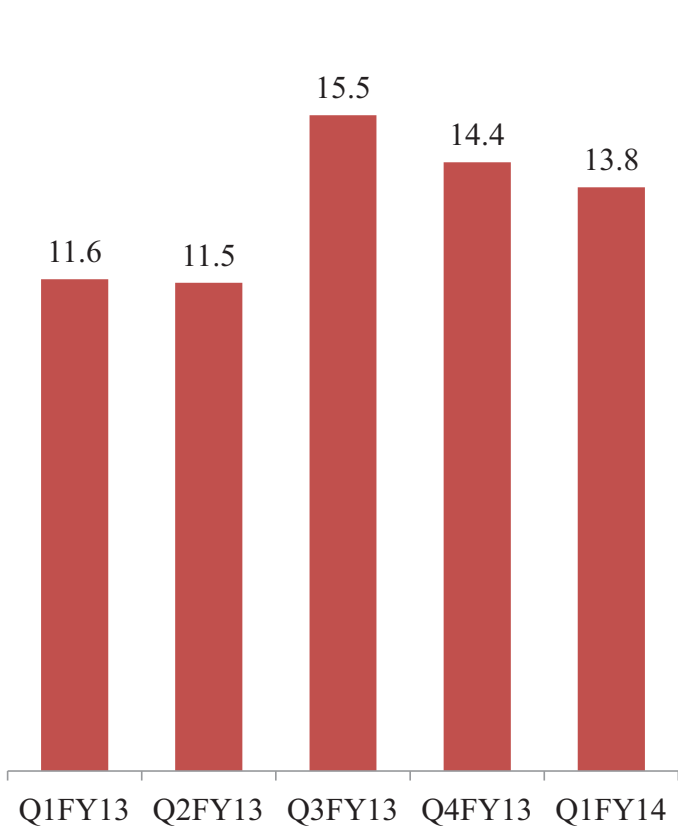


\* - Normalized EBITDA – Before Forex, Hedging Related Expenses

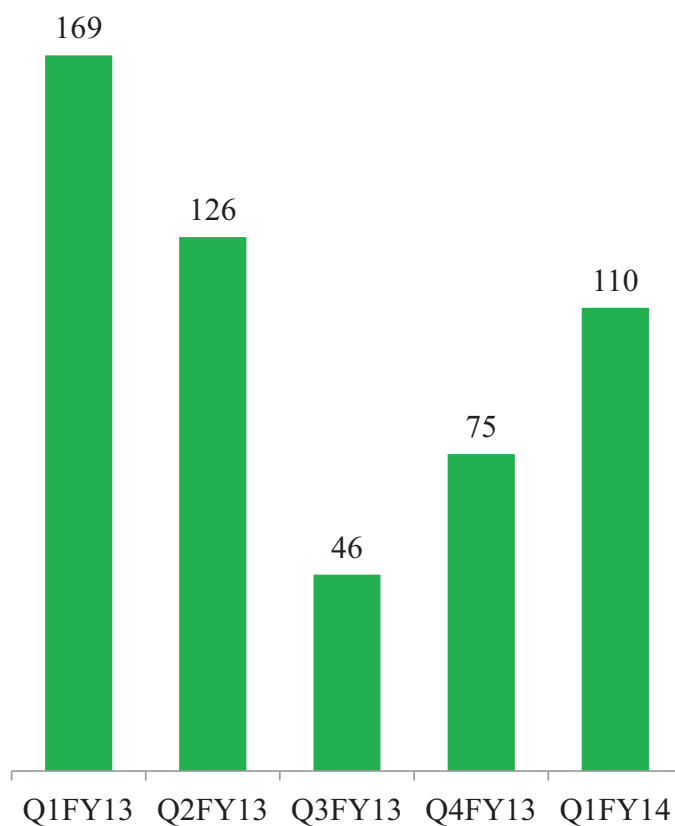
# Gas Division Volume Break-up



**Distribution ('000 MT)**



**Logistics ('000 MT)**



**Financials**



# Consolidated Profitability Statement



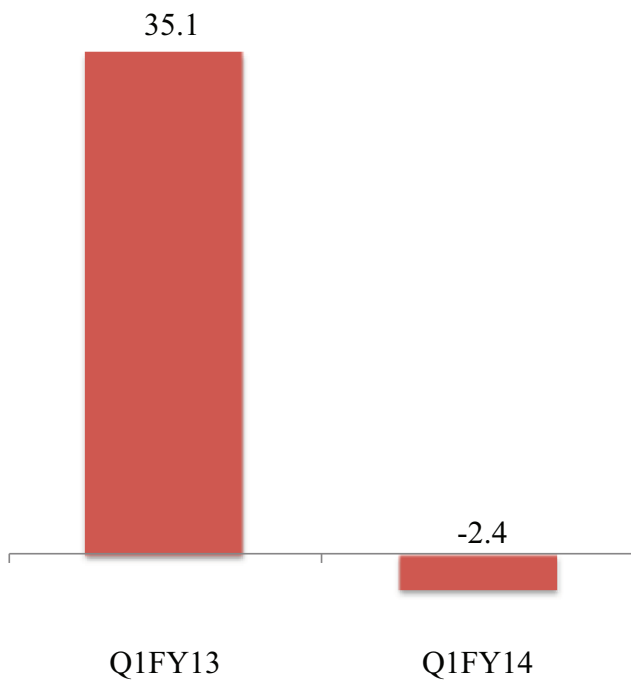
Rs. Cr	Q1FY14	Q4FY13	Q-O-Q%	FY13
Revenue	806	745	8%	3982
Cost of Sales	752	696		3763
Other Expenses (Income)	20	21		63
<b>Normalized EBITDA (Segment) *</b>	<b>34</b>	<b>28</b>	<b>23%</b>	<b>156</b>
Finance, Hedging & Forex related Expenses (Net)	3	14		62
Depreciation	5	5		19
Unallocated Expenses	6	7		22
Profit Before Tax	20	2		53
Tax	4	2		18
<b>Profit after Tax</b>	<b>16</b>	<b>(0.59)</b>	<b>-</b>	<b>35</b>

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

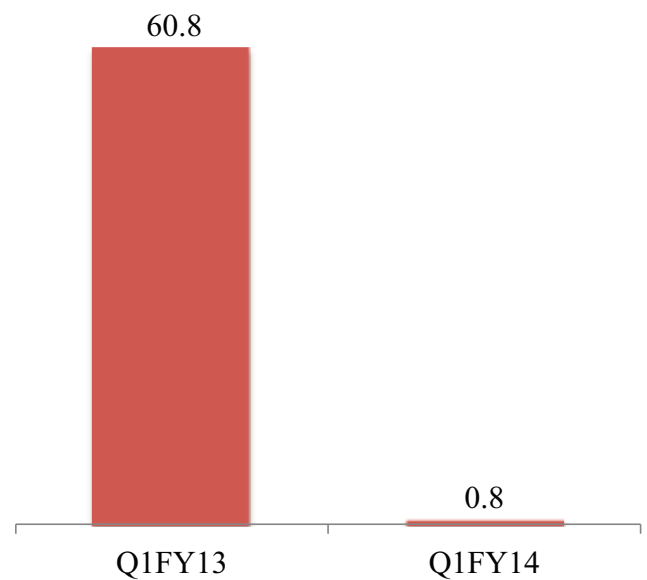
## Post Unwinding of Options Contracts...



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



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



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



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