Aegis Logistics Ltd.	
No. of shares (m)	351.0
Mkt cap (Rscrs/$m)	7213/962.3
Current price (Rs/$)	206/2.7
Price target (Rs/$)	264/3.5
52 W H/L (Rs.)	388/192
Book Value (Rs/$)	60/0.8
Beta	0.5
Daily NSE volume (avg. monthly)	651300
P/BV (FY22e)	3.4
EV/EBITDA(FY22e)	13.2
P/E (FY22e)	23.3
EPS growth (FY21/22e)	116.7/38.4
OPM (FY21/22e)	10.1/18.8
ROE (FY21/22e)	12.8/15.6
ROCE (FY21/22e)	11.9/14.2
D/E ratio (FY21/22e)	0.2/0.2
BSE Code	500003
NSE Code	AEGISCHEM
Bloomberg	AGIS IN
Reuters	AEGS.NS

Shareholding pattern%	
Promoters	58.1
MFs / Banks / FIs	0.9
Foreign Portfolio Investors	15.5
Govt. Holding	-
Total Public& Others	25.5
Total	**100.0**

As on December 31, 2021

Recommendation

BUY

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Quarterly Highlights

- Aegis Logistics' Q2FY22 revenue from operations experienced a year-over-year decline of 2.3% to Rs. 635.24 crs. Its gas segment raked in revenues of Rs. 570.92 crs witnessing a year-over-year decline of almost 4%. Liquid segment, on the other hand, showed some respite with a year-over-year growth of 14% at Rs. 64.32 crs. The volume off-take in the sourcing business has been in a declining trend and stood at just 59,581 metric tons versus 100,000 metric tons in the previous quarter and 142,911 metric tons in the same period last year. This is due to the fact that PSUs like IOC, HPCL, BPCL are dropping their sourcing from the private sector and doing more of their own cargos. However, Aegis had recently secured international sourcing tenders for LPG from the national oil companies for the calendar year 2022 to the extent of 18 VLGCs aggregating to 800,000 metric tons of LPG and expects the business to bounce back.
- However, sourcing being a least margin accretive business operating profits was not much impacted. In fact, overall operating profits for the quarter stood at record Rs. 137.21 crs, up 34.2% y-o-y. OPMs also grew by a pleasing 590 bps to stand at a record 21.6%. Gas business accounted for much of the rise raking in EBITDA of Rs. 93.05 crs (up 21.2% y-o-y) driven by good throughput volumes in Mumbai and Haldia terminals. Propelled by the addition of newly built capacities in Kandla, Mangalore, and Haldia-EBITDA for the liquid segment grew by 20.7% to Rs. 36.55 crs in Q2 compared to Rs. 30.28 crs in the same quarter a year ago.
- The stock currently trades at 23.3x FY22e EPS of Rs. 8.81. The joint venture with Vopak will bring onboard the combined financial firepower of the two groups that would enable Aegis to vigorously scale up its liquid and LPG terminals business. Moreover, apart from exploring new dimensions in renewables, the venture would primarily focus on investing in VLGC compliant jetties, expand capacities at existing terminals, set-up multi-modal transport infrastructure for LPG to reduce delivery cost and set-up inland depots for LPG to better serve national oil companies. Weighing odds, we assign 'BUY' rating on the stock with target price of Rs 264 (previous target: Rs 326) based on 30x FY22 projected EPS; earnings are expected to increase by 38.4% in FY22 due to improved capacity utilizations and higher realizations.

	FY19	FY20	FY21	FY22e
Income from operations	5615.82	7183.25	3843.46	2687.56
Other Income	8.19	32.84	36.87	39.13
EBITDA (other income included)	379.06	309.39	424.52	545.61
PAT after EO	221.38	99.77	223.38	309.21
EPS(Rs)	6.63	2.94	6.36	8.81
EPS growth (%)	11.9	-55.7	116.7	38.4

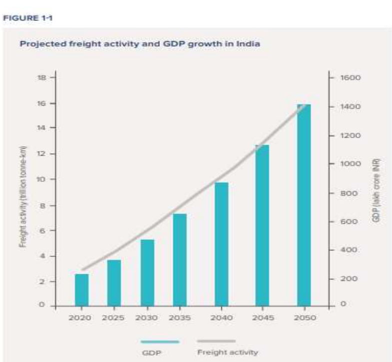
Outlook and Recommendation

Indian Logistics Industry

The pandemic brought significant changes in the Indian logistics landscape that compelled many industry players to acknowledge the prevalent inefficiencies and adopt technology to enhance operational efficiencies. Going forward, the technological trends that emerged in FY 2020-21 are expected to gain further traction in FY 2021-22. Besides, several factors like strong infrastructure, channel alliances, urbanization, and increased consumer preference for the reduced delivery time are going to act as a growth catalyst for the logistics space. By some media reports, the Indian logistics market is currently valued at some $250 billion and is expected to reach $380 billion by FY25.

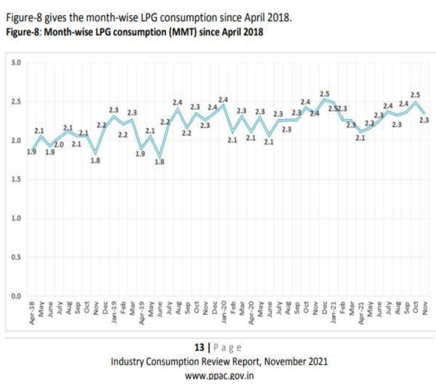
The National Logistics Policy, which is in an advanced stage of roll-out, is aimed at streamlining and strengthening India's logistics sector, promoting the seamless movement of goods across the country, and increasing the ease of doing business for players in the sector. The policy will ensure multi-modal cargo movement for optimal use of all transport modes by developing multi-modal transport infrastructure, including MMLPs. This initiative will lower freight costs, reduce vehicular pollution and congestion, and cut warehouse costs to promote domestic and global trade.

At present, the sector is plagued by some structural issues such as highly fragmented ownership; few large players; lack of consolidation in operations; sub-optimal modal share with freight movement highly skewed towards road sector, to begin with. Moreover, as per NITI Aayog, logistics costs in India are high, accounting for 14 percent of the GDP which is high when compared to developed nations, where it ranges between eight and ten percent. India aims to reduce logistics cost to 10% of GDP by 2022 that could save up to Rs. 10 lakh crs. By optimizing truck use, vehicular movement and travel time can be reduced, and logistics practices can be made less emission- and cost-intensive.



Source: NITI Aayog

Source: NITI Aayog

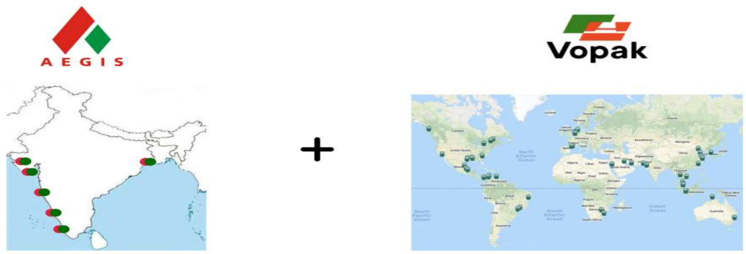


Source: PPAC

As per data released by Petroleum Planning & Analysis Cell (PPAC), the LPG consumption in this fiscal (till November) stood at 18.41 million mt compared to 18.03 million mt in same period in the prior fiscal, a growth of 2.1% largely led by domestic category. The demand for LPG in India has continued to show robust growth boosted by the Pradhan MantriUjjwalaYojna (PMUY) scheme, and the capital investments in new LPG capacity significantly benefited the LPG terminal players. Separately, the Government of India's strong push for cleaner fuels and the commitment to 100% LPG penetration towards a gas based economy present new investments and opportunities in this area for India's downstream and midstream oil and gas sectors. Moreover, recently a special purpose vehicle, IHB, which has been set up by Indian Oil Corporation, HPCL and BPCL (50% is owned by Indian Oil and 25% each by the other two companies), aims at constructing and operating the KGPL pipeline also known as the Central India LPG pipeline. This pipeline is the world's largest, longest LPG pipeline of around 2800 kilometers long and with an annual capacity to handle 8.25 million tons. The progress made by IHB is quite impressive and will largely benefit the existing LPG players.

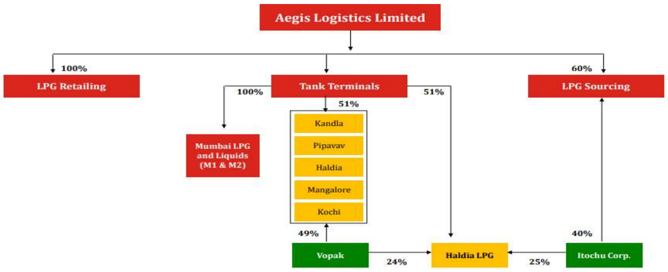
Joint Venture with Royal Vopak

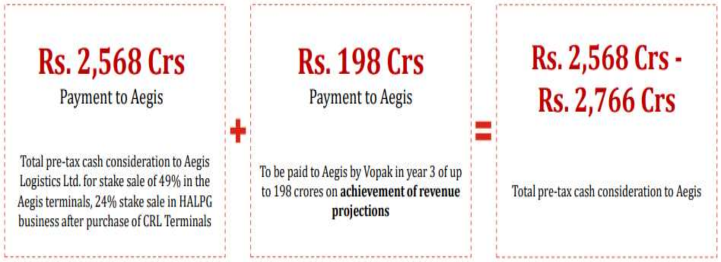
In Q2FY22, Aegis Logisticsannounced its decision to form a joint venture with Royal Vopak N.V. to tap growth opportunities in the Indian LPG, chemicals storage and handling business. The joint venture company will be named Aegis Vopak Terminals Ltd (AVTL) and will operate a network of terminal assetsthat are currently located in five strategic portscovering the West and East coast of India. Headquartered in Rotterdam, Netherlands, Royal Vopak is an independent multinationaltank storage company engaged in storage and handling of bulk liquid products and gases for its customers. Vopak is present in 23 countries around the world with a network of 70 terminals having a total storage capacity of 35.6 million cubic meters.



Source: Aegis Logistics Ltd. Source: Aegis Logistics Ltd.

With a total LPG handling capacity of around 960,000 cubic meters, the new partnership will become one of the largest independent tank storage companies for LPG and chemicals in India.Aegis Vopak Terminals Ltd (AVTL) will be 51% owned by Aegis and 49% by Vopak. The Joint venture will acquire 100% of the business and assets of the Kandla and Pipavav LPG terminals. The Kandla, Pipavav, Mangalore, Kochi and Haldia liquid terminals will also be added to the asset base. The Kochi terminal that is part of the wholly owned subsidiary called Konkan Storage will be added to the joint venture. Vopak will also bring in its existing CRL terminal entity in Kandla that has a capacity of 250,000 cubic meters. In addition, Vopak will acquire a 24% stake in Hindustan Aegis LPG Ltd that is currently a joint venture between Aegis and Itochu. After the transaction Aegis will own 51% and Itochu will continue to hold 25%.Vopakvalued its 49% stake in the joint venture at Rs. 2,154 crs and Rs. 314 crs for 24% stake in Haldia LPG terminal. However, the deal was closed at a little higher amount of Rs. 2,766 crs. Of this amount, around 75%of cash will come into Aegis at the time of closing of whole transaction (expected by March of 2022) and the remaining payment would be after three years or so. Of the balance 25%, payment of Rs. 198 crs will be subject to achievement of certain revenue targets.



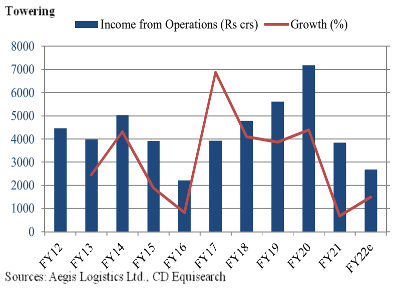


Source: Aegis Logistics Ltd. Source: Aegis Logistics Ltd.

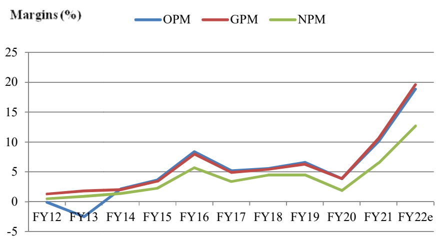
As per the management commentary, this joint venture with Vopak will allow Aegis to diversify into new areas of gas storage such as LNG and other energy projects including renewables', apart from accentuating growth in the terminals business. Additionally, Aegis will get access to Vopak'sglobal know-how for handling of oil, gas and chemicals and new products that would enhance its competitiveness. Primarily, this partnership will bring in the combined financial firepower of the two groups that would play a key role in enabling the joint venture to execute a number of key strategic connectivity projects over the next three to five years so that the venture can reach full capacity utilization in the LPG terminals. However, whether this partnership would lead to consolidation in the Indian markets and increased market share is difficult to decipher.

Financials & Valuation

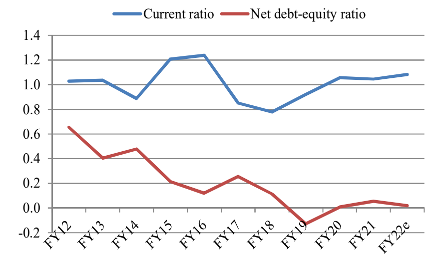
LPG logistics volumes for H1FY22 stood at 13.06 lakh metric tons versus 14.23 lakh metric tons in H1FY21. This was largely due to the ensuing effects of second wave of Covid-19, cyclone Tauktae at Pipavav, cyclone Yaas at Haldia and state elections in West Bengal, however the throughput volumes revived significantly in Q2 driven by improvement in travel and eateries as cities opened-up post restrictions. The high margin retailing business remained well on track despite the strong macro headwinds. The bulk industrial segment remained steady and delivered volumes of 45,816 metric tons versus 31,035 metric tons in H1FY21. The cylinder segment catering to the hotels, restaurants, small scale industries and domestic householdsalso raked in volumes of 11,352 mt compared to 7,052 mt in the same period last year. The auto gas segment performed pleasingly well with the EBITDA margins recently going up to an average of Rs. 10,000 per mt. Volumes stood at 9,554 mt versus 7,700 mt in H1FY21 and the company has commissioned three bottling plants and added 15 new distributors,expanding its presence to 14 states.



Sources: Aegis Logistics Ltd., CD Equisearch

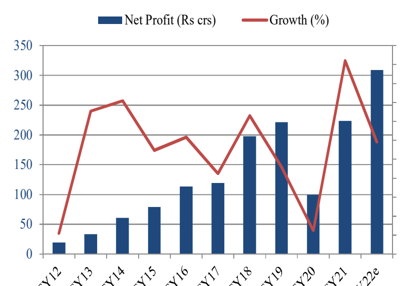


Sources: Aegis Logistics Ltd., CD Equisearch

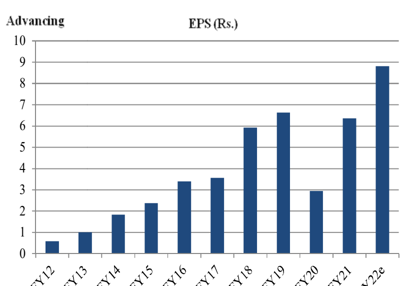


Sources: Aegis Logistics Ltd., CD Equisearch

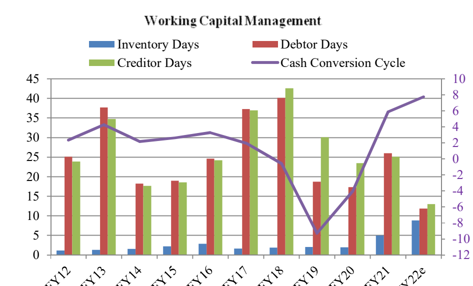
Aegis incurred over Rs. 100 crs in H1FY21 as part of its capex that was spent on commissioning of new Kandla LPG terminal and expanding capacities at its Pipavav terminal. These projects are expected to get completed by H2FY22. The liquid terminal expansion projects of 50,000 kiloliters and 53,500 kiloliters that were built in Mangalore and Haldia respectively, got completed in Q2FY22, and the management has guided that the capacity expansion of 20,000 kiloliters at Kochi is likely to get completed by the end of this fiscal. The company could spend another Rs. 200 crs in H2FY22 that would likely be directed towards installation of additional LPG jetty pipeline in Haldia and Mumbai terminals that would increase the unloading rate, and therefore, improve the logistics handling capacity. Additionally, as part of the capex plan with Vopak, the JV will add total of 175,000 kiloliters of liquid storage capacity and 100,000 metric tons of gas storage capacity at Mangalore, Kochi, Pipavav, and Haldia for Rs. 1,250 crs that would be spend over the next two years.



Sources: Aegis Logistics Ltd., CD Equisearch

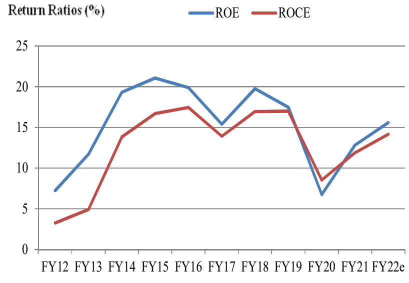


Sources: Aegis Logistics Ltd., CD Equisearch

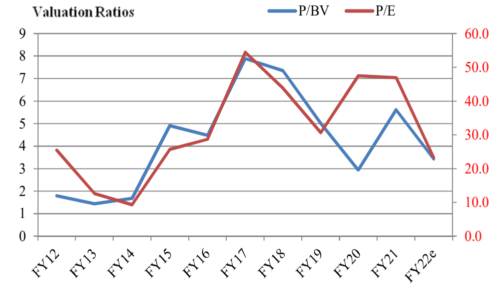


Sources: Aegis Logistics Ltd., CD Equisearch

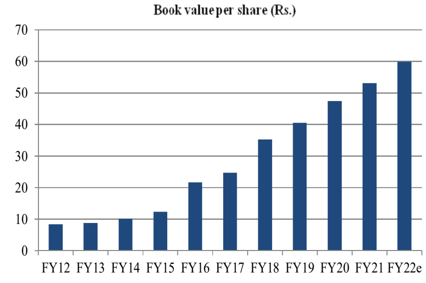
Assuming that consumption will get back to near-normal Q3 onwards and the ongoing third wave of pandemic wouldn't have any major impact, Aegis could clock in revenues of Rs. 2687.56 crs in FY22e. This top-line is expected to significantly boost operating profit margins to 18.8% in FY22 (vs. 10.1% in FY21). Consequently, better earnings visibility could improve interest coverage to 23.9 this fiscal (vs. 20.4 in FY21). Though, pandemic has extended delays in expansion projects with high degree of uncertainty still surrounding the completion, yet return on equity would rise to 15.6% in FY22 (12.8% in FY21) not least due to robust capacity utilization in its liquid terminals.



Sources: Aegis Logistics Ltd., CD Equisearch



Sources: Aegis Logistics Ltd., CD Equisearch; *forward multiple



Sources: Aegis Logistics Ltd., CD Equisearch

The stock currently trades at 23.3x FY22e EPS of Rs. 8.81.Outlook for the later part of the year remains along the similar lines of Q2 with consistent revenues and profits. In fact, LPG throughput volumes could witness a spike in H2 due to increased capacity utilization of Chakan pipeline and commissioning of Pipavav Railway Gantry. While the demand trend appears to be encouraging, one cannot ignore the fact that among all other segments, logistics is a major source of the company's profitability and any fall in throughput volumes may impact financials. Also, post the Vopak partnership, the management's announcement of Rs. 2,500-4,500 crs capex plan under the JV over a period of five years significantly improves long-term earnings visibility of the business. This new partnership, which primarily targets LPG and also chemicals and industrial terminal, could be another step for Aegis towards its focus to strategically allocate capital to grow in gas markets. Balancing odds, we assign 'BUY' rating on the stock with target price of Rs. 264 (previous target: Rs 326) based on 30x FY22 projected EPS. For more information, refer to our January 2021 report.

Cross Sectional Analysis

Company	Equity*	CMP	MCAP*	Sales*	Profit*	OPM (%)	NPM (%)	IntCov	ROE (%)	Mcap/Sales	P/BV	P/E
Gati Ltd.	25	207	2550	1481	7	3.3	-0.4	0.9	2.9	1.7	16.6	389.4
Transport Corp	15	713	5510	3252	270	11.7	7.5	17.8	21.9	1.7	4.1	20.4
Allcargo Log.	49	332	8162	14511	445	6.4	2.5	5.1	23.9	0.6	4.1	18.3
Container Corp	305	634	38654	7552	876	20.2	11.2	20.8	8.3	5.1	3.6	44.1
Aegis Log.	35	206	7213	3870	298	11.9	8.3	26.5	15.4	1.9	3.4	24.2

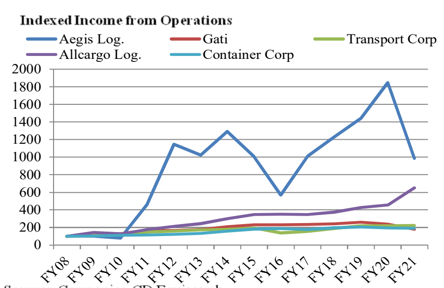
*figures in crores; standalone/consolidated data as applicable; calculations on ttm basis.

Driven by revival in domestic rail and port volumes and foreign trade, Gati's revenue from operation grew by 19.4% year-over-year to Rs. 339.38 crs in Q2FY22. In fact, Gati reported highest ever quarterly tonnage and revenue in its express business, thereby maintaining its market share in the Indian express B2B market. GKEPL's revenue from operations grew by 40% y-o-y to Rs. 334 crs with total quarterly volumes of 2.60 lakh tons (vs. 2 lakhs in Q2FY21). Yet, overall operating profit did not grow in line with revenues, raking in some Rs. 16 crs, a decline of 19.5% compared to the corresponding period in the previous year. Similarly, OPMs witnessed a decline of 194 bps y-o-y to stand at 4.0%.

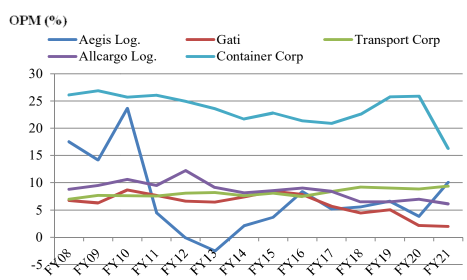
Easing of restrictions and robust festive demand led to decent pick-up in volumes that aided TCI's revenue from operations to grow by almost 4% y-o-y to Rs. 837.68 crs in Q3FY22. The freight division, comprising almost 50% of the overall mix, grew by 4.2% to Rs. 432.31 crs largely driven by growth in less than truck load (LTL) services and cost controls. However, driven by constraints in the automotive sector due to the ongoing semiconductor shortage and sluggish demand in high value consumer goods, supply chain division witnessed a de-growth of 7.4% y-o-y to Rs. 278.79 crs. Seaways division witnessed strong margins with increased freight rates and high value return cargo from Myanmar that augmented the division's revenues exponentially by 42.6% to 147.91 crs. However, the company's capex cycle has been delayed due to high cost of marine assets.

Buoyed by higher Q2 volumes in less than container load leg (LCL) (up 22.7% to 23.27 lakh cbms) and full container load leg (FCL) (up 29.4% to 1.5 lakh TEUs),Allcargo's multimodal transport operations business revenues surged by an astonishing 138.1%, with EBITDA margins climbing by 110 bps to 7% with little distinguishing traits in the first half of current fiscal when EBITDA margin of 6.4% was reported on 104.6% growth in sales. CFS-ICD business also delivered good performance raking in total volumes (excluding Speedy) of 79,794 TEUs in Q2, growth of 35.3% y-o-y. Witnessing healthy volume growth and favorable market conditions, Allcargo continues to significantly expand its digital footprint at ECU Worldwide through initiatives including data projects, automation, ECU EDI, ECU click and other apps to improve customer experience and service delivery.

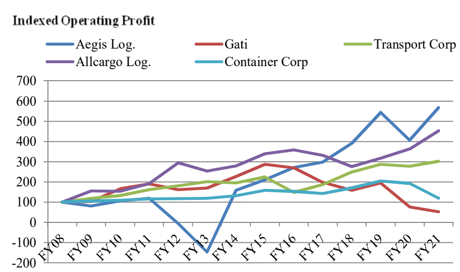
Container Corp's revenues increased from Rs. 1938.03 crs to Rs. 1766.89 crs in Q3FY22, registering a robust growth of nearly 10%. Though shortages of containers had a significant impact on company's operations, yet the Exim business, comprising 68.6% of the mix, managed to grew by 2.4% year-over-year to Rs. 1329.89 crs in the quarter. Operating profits grew by an astounding 22.7% year-over-year to Rs. 461.38 crs, yielding OPM of 23.8% (vs. 21.3% in Q3FY21). PAT for the period stood at Rs. 284.61 crs compared to Rs. 234.27 crs a year earlier (a growth of 21.5%). However, Concor's progress on the planned capex has been slow owing to impact of Covid-19.



Sources: Companies, CD Equisearch



Sources: Companies, CD Equisearch



Sources: Companies, CD Equisearch

Note: Graphs on standalone/consolidated data as applicable.

Financials

Consolidated Quarterly Results

Figures in Rs crs

	Q2FY22	Q2FY21	% chg.	H1FY22	H1FY21	% chg.
Income From Operations	**635.24**	**650.36**	**-2.3**	**1313.30**	**1286.76**	**2.1**
Other Income	9.18	6.64	38.3	17.17	11.60	48.0
Total Income	**644.42**	**657.00**	**-1.9**	**1330.47**	**1298.36**	**2.5**
Total Expenditure	498.03	548.10	-9.1	1070.98	1117.15	-4.1
EBITDA (other income included)	**146.39**	**108.90**	**34.4**	**259.49**	**181.21**	**43.2**
Interest	3.55	4.07	-12.8	7.61	8.73	-12.8
Depreciation	18.93	17.99	5.2	37.64	35.54	5.9
PBT	**123.91**	**86.84**	**42.7**	**214.24**	**136.94**	**56.4**
Tax	22.58	22.65	-0.3	40.70	35.91	13.3
PAT	**101.33**	**64.19**	**57.9**	**173.54**	**101.03**	**71.8**
Minority Interest	6.93	7.23	-4.1	12.54	14.24	-11.9
PAT after MI	**94.40**	**56.96**	**65.7**	**161.00**	**86.79**	**85.5**
EO	-	-	-	-	-	-
Adjusted Net Profit	**94.40**	**56.96**	**65.7**	**161.00**	**86.79**	**85.5**
EPS(Rs)	2.69	1.65	63.1	4.59	2.51	82.5

Consolidated Segment Results

Figures in Rs crs

	Q2FY22	Q2FY21	% chg.	H1FY22	H1FY21	% chg.
Segment Revenue						
Liquid Terminal Division	64.32	56.44	14.0	130.35	111.82	16.6
Gas Terminal Division	570.92	593.92	-3.9	1182.95	1174.94	0.7
Segment Revenue	**635.24**	**650.36**	**-2.3**	**1313.30**	**1286.76**	**2.1**
Segment EBIT						
Liquid Terminal Division	36.55	30.28	20.7	75.79	61.11	24.0
Gas Terminal Division	93.05	76.78	21.2	149.78	145.81	2.7
Sub Total	**129.60**	**107.06**	**21.1**	**225.57**	**206.92**	**9.0**
Interest	3.55	4.07	-12.8	7.61	8.73	-12.8
Other Unallocable Exp. (net)	2.14	16.15	-86.7	3.72	61.25	-93.9
PBT	**123.91**	**86.84**	**42.7**	**214.24**	**136.94**	**56.4**

Consolidated Income Statement

Figures in Rs crs

	FY19	FY20	FY21	FY22e
Income From Operations	**5615.82**	**7183.25**	**3843.46**	**2687.56**
Growth (%)	17.2	27.9	-46.5	-30.1
Other Income	8.19	32.84	36.87	39.13
Total Income	**5624.01**	**7216.09**	**3880.33**	**2726.69**
Total Expenditure	5244.95	6906.70	3455.81	2181.07
EBITDA (other income included)	**379.06**	**309.39**	**424.52**	**545.61**
Interest	26.19	33.12	17.31	19.30
Depreciation	50.54	68.71	71.60	83.73
PBT	**302.33**	**207.56**	**335.60**	**442.58**
Tax	50.22	73.59	86.38	101.79
PAT	**252.11**	**133.97**	**249.22**	**340.79**
Minority Interest	30.72	34.38	25.84	31.58
PAT after MI	**221.39**	**99.59**	**223.38**	**309.21**
EO	0.01	-0.17	-	-
Adjusted Net Profit	**221.38**	**99.77**	**223.38**	**309.21**
EPS (Rs)	6.63	2.94	6.36	8.81

Segmental Income Statement

Figures in Rs crs

	FY19	FY20	FY21	FY22e
Segment Revenue				
Liquid Terminal Division	182.80	207.54	234.28	250.81
Gas Terminal Division	5433.02	6975.71	3609.18	2436.75
Segment Revenue	**5615.82**	**7183.25**	**3843.46**	**2687.56**
Segment EBIT				
Liquid Terminal Division	78.33	105.07	136.09	145.66
Gas Terminal Division	286.90	390.07	326.27	337.85
Sub Total	**365.23**	**495.14**	**462.36**	**483.51**
Interest	26.19	33.12	17.31	19.30
Other Unallocable Exp. (net)	36.72	254.46	109.45	21.63
PBT	**302.33**	**207.56**	**335.60**	**442.58**

Consolidated Balance Sheet

Figures in Rs crs

	FY19	FY20	FY21	FY22e
Sources of Funds				
Share Capital	33.40	33.97	35.10	35.10
Reserves	1357.87	1620.64	1901.37	2140.37
Total Shareholders' Funds	**1391.28**	**1654.61**	**1936.47**	**2175.47**
Minority Interest	74.81	90.60	109.02	140.61
Long Term Debt	56.57	48.50	112.32	94.32
Total Liabilities	**1522.66**	**1793.72**	**2157.82**	**2410.39**
Application of Funds				
Gross Block	1426.67	1870.27	1959.33	2609.79
Less: Accumulated Depreciation	97.93	171.56	248.60	332.34
Net Block	**1328.75**	**1698.71**	**1710.72**	**2277.45**
Capital Work in Progress	120.66	220.11	487.58	166.54
Investments	10.44	7.31	0.01	0.00
Current Assets, Loans and Advances				
Inventory	33.80	42.11	52.39	53.75
Trade receivables	228.52	454.03	94.15	80.63
Cash and Bank	412.92	263.44	335.63	316.36
Other current assets	72.69	84.74	119.58	95.66
Total CA	**747.94**	**844.33**	**601.75**	**546.40**
Current Liabilities	785.95	760.39	502.45	431.72
Provisions-Short term	2.90	4.02	3.16	3.16
Total Current Liabilities	**788.85**	**764.40**	**505.61**	**434.88**
Net Current Assets	-40.91	79.93	96.14	111.53
Net Deferred Tax Liability	11.91	16.42	-40.72	-35.30
Net long term assets (net of liabilities)	91.81	-228.77	-95.92	-109.83
Total Assets	**1522.66**	**1793.72**	**2157.82**	**2410.39**

Note: *Transfer of assets to joint venture has not been considered in FY22 projections as the same has not been executed yet.*

Financial Ratios

	FY19	FY20	FY21	FY22e
Growth Ratios(%)				
Revenue	17.2	27.9	-46.5	-30.1
EBITDA	38.2	-18.3	37.1	28.5
Net Profit	11.9	-54.9	123.9	38.4
EPS	11.9	-55.7	116.7	38.4
Margins (%)				
Operating Profit Margin	6.6	3.8	10.1	18.8
Gross profit Margin	6.3	3.8	10.6	19.6
Net Profit Margin	4.5	1.9	6.5	12.7
Return (%)				
ROCE	17.0	8.5	11.9	14.2
ROE	17.5	6.7	12.8	15.6
Valuations				
Market Cap/ Sales	1.2	0.7	2.7	2.7
EV/EBITDA	17.4	15.3	25.0	13.2
P/E	30.7	47.5	46.9	23.3
P/BV	5.0	2.9	5.6	3.4
Other Ratios				
Interest Coverage	12.5	7.3	20.4	23.9
Debt Equity	0.2	0.2	0.2	0.2
Net Debt-Equity Ratio	-0.1	0.0	0.1	0.0
Current Ratio	0.9	1.1	1.0	1.1
Turnover Ratios				
Fixed Asset Turnover	4.3	4.7	2.3	1.3
Total Asset Turnover	4.0	4.4	2.0	1.2
Inventory Turnover	175.4	182.0	73.1	41.1
Debtors Turnover	19.5	21.0	14.0	30.8
Creditor Turnover	12.1	15.6	14.5	28.1
WC Ratios				
Inventory Days	2.1	2.0	5.0	8.9
Debtor Days	18.7	17.3	26.0	11.9
Creditor Days	30.1	23.4	25.1	13.0
Cash Conversion Cycle	-9.3	-4.1	5.9	7.8

Cumulative Financial Data

Figures in Rs crs

	FY14-16	FY17-19	FY20-22e
Income from operations	11160	14337	13714
Operating profit	436	841	1171
EBIT	401	754	1056
PBT	344	696	986
PAT after MI	253	538	632
Dividends	80	140	202
OPM (%)	3.9	5.9	8.5
NPM (%)	2.5	4.2	5.3
ROE (%)	16.5	17.3	12.2
ROCE (%)	13.8	16.5	12.1
Interest Coverage	7.1	13.1	15.1
Debt Equity*	0.2	0.2	0.2
Fixed asset turnover	7.2	4.6	2.5
Debtors turnover	18.9	29.3	29.6
Inventory turnover	237.8	198.5	95.5
Creditors turnover	19.7	16.0	14.8
Debtor days	19.4	12.4	12.3
Inventory days	1.5	1.8	3.8
Creditor days	18.5	22.8	24.7
Cash conversion	2.4	-8.5	-8.5
Dividend payout ratio (%)	29.0	26.1	32.0

FY 14-16 implies three year period ending fiscal 16;*as on terminal year.

Largely due to ensuing impact of the pandemic along with lower volumes from the sourcing business, cumulative top-line could decline by 4.3% for the three year period ending FY22e to Rs. 13714 crs. However, given better capacity utilizations across majority of the terminals, cumulative operating profits for the period would jump by 39.3% to Rs. 1171 crs yielding a margin of 8.5% in FY20-22e (vs. 5.9% in FY17-19). However, inefficient allocation of capital aggravated by delay in capex projects coupled with barely strong asset utilization (fixed asset turnover is expected to fall to 2.5 in the projected period) would plunge ROCE to 12.1% in the forecasted period (see table). Though no small growth in other income would help cumulative post tax earnings to advance by 17.5% in the given period (see table).Moreover, inventory days would rise to some 4 days from 1.8 days in the preceding three year period, yet the same would be counterbalanced the rise in creditor days leading to hardly any change in cash conversion cycle (see table).

Financial Summary- US dollar denominated

million $	FY19	FY20	FY21	FY22e
Equity capital	4.8	4.5	4.8	4.7
Shareholders' funds	195.9	213.8	253.7	280.7
Total debt	34.5	37.3	60.6	47.7
Net fixed assets (incl. CWIP)	209.4	254.4	298.9	325.9
Investments	1.5	1.0	0.0	0.0
Net current assets	-11.0	5.1	3.5	5.5
Total assets	214.9	232.3	283.8	312.0
Revenues	803.5	1013.5	518.0	358.5
EBITDA	54.2	43.7	57.2	72.8
EBDT	50.5	39.0	54.9	70.2
PBT	43.3	29.3	45.2	59.0
PAT	31.7	14.1	30.1	41.2
EPS($)	0.09	0.04	0.09	0.12
Book value ($)	0.59	0.63	0.72	0.80

Income statement figures translated at average rates; balance sheet at year end rates; projections at current rates (Rs 74.96/$). All dollar denominated figures are adjusted for extraordinary items.

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buy: >20% accumulate: >10% to ≤20% hold: ≥-10% to ≤10% reduce: ≥-20% to <-10% sell: <-20%

Exchange Rates Used- Indicative

Rs/$	FY18	FY19	FY20	FY21
Average	64.45	69.89	70.88	74.20
Year end	65.04	69.17	75.39	73.50

All $ values mentioned in the write-up translated at the average rate of the respective quarter/ year as applicable. Projections converted at current exchange rate. Cumulative dollar figure is the sum of respective yearly dollar value.