Aegis Logistics Limited

March 25, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	530.82 (Reduced from 655.82)	CARE AA; Stable	Reaffirmed
Short-term bank facilities	233.98 (Enhanced from 108.98)	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings of Aegis Logistics Limited (ALL) continues to reflect its established presence in the liquefied petroleum gas (LPG) and liquid bulk logistics business, diversified service offerings, experienced management, and strategically located terminals across key ports in India. Ratings also factor in the company's long-standing relationships with major customers and suppliers, comfortable capital structure, and strong debt service coverage indicators. Ratings also draw comfort from significant improvement in its liquidity post successful initial public offering (IPO) of Aegis Vopak Terminals Ltd. (AVTL) in Q1FY26 leading to ALL becoming net debt negative as of December 31, 2025.

CARE Ratings Limited (CareEdge Ratings) notes that the company is undertaking significant expansion to strengthen its LPG and liquid terminal infrastructure across multiple locations. The company is also developing India's first independent ammonia storage terminal at Pipavav, which is expected to be commissioned by Q1FY27. These projects form part of the broader infrastructure expansion through its joint venture (JV) company, AVTL, to enhance the group's storage capacity and terminal handling capabilities. Timely execution and scaling up of these projects are expected to drive revenue growth and improve capacity utilisation over the medium term.

However, ratings factor in potential volume constraints arising from ongoing geopolitical risks, particularly disruptions in the Strait of Hormuz, which could impact LPG trade flows and throughput volumes. Additionally, the company's exposure to the relatively low-margin LPG sourcing business, and volatility in global energy prices and demand fluctuations across end-user industries, remains a constraint. ALL's ability to navigate potential supply disruptions, ramp up utilisation of new capacities, and sustain profitability and coverage metrics will remain key monitorables going forward.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained business performance amidst business challenges w.r.to LPG due to ongoing geopolitical disturbances.
- Maintaining net debt negative position.

Negative factors

- Higher-than-envisaged consolidated debt resulting in deteriorating credit metrics with consolidated net debt/PBILDT greater than 2.0x.
- Substantial deterioration in scale of operations and operating margins lower than 6% on a sustained basis.

Analytical approach: Consolidated

CareEdge Ratings has adopted a consolidated analytical approach for ALL, covering its subsidiaries and joint ventures, as these entities operate under common management, engage in similar business activities, and demonstrate strong financial and operational linkages. The list of entities considered is provided in Annexure-6.

Outlook: Stable

The stable outlook reflects CareEdge Ratings' expectations of continued healthy operating performance of the company, supported by timely completion of capex projects and sustained demand for LPG in the medium-to-long term, while maintaining a strong liquidity profile.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Detailed description of key rating drivers:

Key strengths

Experienced promoters and management

ALL is governed by a seven-member Board of Directors, including four independent directors, which enhances governance and strategic oversight. The board comprises professionals with diverse experience across oil and gas, chemicals, ports, logistics, and branding. Operations are led by the Chairman and Managing Director, Raj Chandaria, who has played a key role in developing Aegis' LPG and liquid logistics infrastructure over several decades. The company also benefits from long-standing strategic partnerships with Itochu Corporation for LPG sourcing and Royal Vopak for oil and gas terminalling through its JV platform, AVTL. The senior management team has extensive industry experience, with several members having over three decades of sector exposure, supporting execution of ongoing expansion projects. This experienced leadership is expected to continue guiding ALL's growth strategy and help mitigate operational risks over the medium term.

Comfortable financial risk profile

The company's leverage had increased in FY25 due to capex undertaken across ALL and its JV, Aegis Vopak Terminals Limited (AVTL). Total debt increased to ₹4,606 crore in FY25, primarily due to capex undertaken for terminal infrastructure expansion. However, the company prepaid majority its term loans in 9MFY26 post the IPO of AVTL, which has resulted in a significant improvement in its capital structure, due to which the company became net debt negative as on December 31, 2025. Additionally, the company raised ₹1,690 crore through two non-convertible debenture (NCD) issuances in FY26 to support ongoing infrastructure capex while maintaining liquidity flexibility. The recent IPO by AVTL and the planned equity dilution over the next three years to meet Securities and Exchange Board of India's (SEBI's) minimum public shareholding norms are expected to provide additional liquidity support for capex and help it limit incremental leverage. ALL's ability to maintain comfortable credit metrics will depend on timely execution and ramp-up of capex projects and sustained cash generation from terminal operations. Given its strong liquidity, improving profitability, moderate net leverage, and continued equity access through the AVTL platform, ALL's financial risk profile is expected to remain comfortable over the medium term.

Improvement in operational performance in 9MFY26

ALL reported an improvement in profitability margins in FY25 driven by an improved business mix and growth in its higher-margin liquid logistics segment. Total operating income (TOI) declined by 4.06% to ₹6,757.94 crore in FY25 from ₹7,046 crore in FY24 due to lower LPG sourcing volumes, which reduced to 5.97 lakh MT in FY25 from 7.99 lakh MT in FY24. Since LPG sourcing is a low margin, back-to-back trading activity, the decline did not materially affect its profitability. The liquid segment revenue grew by ~18% to ₹650 crore in FY25 from ₹549 crore in FY24, supported by higher realisations of and expanded storage capacity. Although the segment contributed 10% of revenue in FY25, it accounted for ~40% of PBILDT due to inherently strong PBILDT margin of ~62% versus ~10% in the Gas Division. A higher share of the high-margin terminalling business resulted in an improvement in overall PBILDT margins to 16.47% in FY25 from 13.19% in FY24. In 9MFY26, TOI grew by ~13%, and PBILDT margins improved to ~14.42% from 13.62% in 9MFY25 due to strong terminal utilisation and steady contribution from the liquid business. In the near term, demand and margins may face pressure from geopolitical tensions involving the United States, Israel, and Iran, which could impact crude and LPG markets. However, the company's growing focus on fee-based storage and terminalling operations is expected to support stable profitability over the medium term.

Presence in midstream and downstream component of oil and gas industry

ALL operates primarily in the midstream and downstream segments of the oil and gas industry. In the midstream segment, the company manages the import, storage, and movement of LPG and liquid bulk cargo through port-based terminals supported by pipeline connectivity and logistics infrastructure serving industrial customers and oil marketing companies. In the downstream segment, ALL provides LPG distribution and logistics services through road, rail, and pipeline networks, operates bottling plants, and supplies LPG to commercial, industrial, and residential users through its Auto LPG network. This diversified presence across midstream and downstream operations enhances business stability and is expected to support volume growth as national gas infrastructure expands over the medium term.

Established relationship with key customers and suppliers and integrated supply chain with a strong distribution network

ALL operates an integrated LPG logistics and distribution platform supported by strategically located port terminals, national pipeline connectivity, and a strong downstream distribution network. The company has long-standing relationships with key customers such as Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, Hindustan Petroleum Corporation Limited, and Nayara Energy Limited, providing stable and recurring demand for its storage and terminalling services. Pricing arrangements are largely fixed or index-linked, which helps mitigate commodity price volatility, and the strong credit profiles of these customers reduces counterparty risk.

On the supply side, ALL sources LPG from global traders, Middle East suppliers, domestic Oil Marketing Companies, and through its joint venture with Itochu Corporation, ensuring reliable product availability. The company's integrated supply chain spans sourcing, storage, transportation, and distribution and is supported by LPG import terminals with ~249,000 MT static storage capacity, ~18.6 million MT potential throughput capacity, and liquid storage capacity of ~2.01 million KL. Evacuation infrastructure includes pipelines, rail connectivity, and road logistics, with linkage to the Kandla–Gorakhpur LPG Pipeline and other national networks. Downstream, the company operates over 140 Auto LPG stations across ~10 states and has a network of over 200 LPG distributors across ~140 cities under the Aegis Puregas, Magna, and Chhota Cikander brands. These integrated operations and strong customer relationships are expected to support steady volume growth and high utilisation of expanded capacity over the medium term.

Liquidity: Strong

The company maintains a strong liquidity position, supported by gross cash accruals of ₹948.91 crore in FY25. Cash, bank balances, and liquid investments stood at ₹4,262.84 crore as on December 31, 2025, and is expected to increase by ~₹701 crore following the stake sale in its subsidiary, providing significant liquidity. Scheduled debt repayments over the next four quarters remain low at ₹85.54 crore, providing comfortable coverage. Fund-based and non-fund-based working capital limit utilisation averaged at ~20% and ~32% in the last 12 months ended December 2025, offering additional liquidity headroom.

Key weaknesses

Susceptibility to volatility in Crude (Brent) and LPG prices

The company is exposed to fluctuations in global energy prices because LPG prices are closely linked to crude oil and natural gas benchmarks such as Brent and West Texas Intermediate (WTI). Price movements driven by geopolitical developments, supply–demand dynamics and disruptions in key shipping routes, including the Russia–Ukraine conflict in 2022 and the United States–Israel–Iran tensions in 2026, can affect procurement costs, trading margins and storage demand. Potential disruptions around the Strait of Hormuz could constrain supply of LPG and may also increase freight rates and insurance costs, resulting in higher LPG import prices. The company mitigates forex and price risks through back-to-back sourcing contracts and by aligning customer realisations with supplier payments, while its sourcing division operates on thin margins and mainly supports logistics operations. CareEdge Ratings expects volatility in crude and LPG prices to remain a key monitorable in the near term, given persistent geopolitical uncertainty.

Moderate capex and utilisation risk

CareEdge Ratings notes that ALL and its JV, Aegis Vopak Terminals Limited (AVTL) is undertaking sizeable infrastructure expansion. While the company and Royal Vopak have an established track record in developing and operating terminal infrastructure, the large capex pipeline exposes the group to execution, funding and post-completion utilisation risks. The ability to complete projects within planned timelines and costs and to achieve adequate utilisation levels after commissioning will be key monitorable. Demand visibility remains linked to LPG imports, industrial fuel usage, and chemical storage demand; delay in demand ramp-up or slower terminal utilisation could affect returns on newly created assets. However, the presence of long-term contracts, strategic port locations, and growing demand for LPG and liquid bulk logistics in India will partly mitigate these risks. CareEdge Ratings expects utilisation levels of newly commissioned terminals to improve gradually over the medium term, supported by structural demand for LPG and liquid bulk storage.

Exposure to changes in government policies

The LPG and liquid bulk logistics sector are influenced by government policies related to LPG pricing, subsidies, safety regulations and port infrastructure. Continued policy support for clean cooking fuel under schemes such as Pradhan Mantri Ujjwala Yojana (PMUY), including the ₹300 per cylinder subsidy for Ujjwala beneficiaries, supports LPG consumption and sustains demand for storage and distribution assets. The sector is subject to stringent safety, environmental and coastal regulations, especially for handling hazardous chemicals and pressurised gases, which can increase compliance and capital costs. Established players with large-scale infrastructure and regulatory capability are better placed to manage these requirements, and stricter norms act as entry barriers for new entrants. CareEdge Ratings expects regulatory oversight and safety-related investments to remain high in the medium term, which may increase compliance costs and reinforce the competitive strength of established operators.

Environment, social, and governance (ESG) risks

Particulars	Risk Factors
Environmental	ALL has implemented measures to reduce carbon footprint, including optimising transportation routes, adopting energy-efficient technologies and investing in renewable energy resources. The company has replaced conventional bulbs with LED fittings at its Mumbai, Pipavav, Kandla, Haldia, and Mangalore terminals. At the Mumbai Terminal, 49% electricity consumption is sourced from wind energy through Tata Power, reducing reliance on non-renewable sources.
Social	The company prioritise the health, safety, and well-being of their employees. In FY25, the company expended ₹7.88 crore on CSR activities, focusing on education, healthcare, and community development. Initiatives such as health check-ups, safety training, and skill development workshops have been conducted, benefiting a significant portion of the workforce. The company has undertaken projects in local communities, including infrastructure development and educational support, impacting numerous beneficiaries.
Governance	The company adheres to international standards and guidelines in reporting sustainability performance, providing stakeholders with accurate and reliable information. The company's board of directors consists of four independent directors, providing a balanced and objective approach to decision-making.

Applicable criteria

Consolidation
Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Service Sector Companies
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport services	Logistics solution provider

Established in 1956 and headquartered in Mumbai, India, ALL is an integrated oil, gas, and chemical logistics company promoted by the Chandaria family, with Raj Chandaria serving as Chairman and Managing Director. The company specialises in LPG import, storage, distribution, and bulk liquid storage and terminalling services for petroleum, petrochemicals, and chemical products. Its infrastructure includes LPG and liquid storage terminals at major ports such as Mumbai, Haldia, Pipavav, Kochi, Kandla, Mangalore, and JNPT. The company operates through two primary business segments: the Gas Division and the Liquid Division. The Gas Division manages the import, storage, and distribution of LPG and propane for oil marketing companies and other industrial customers, while the Liquid Division provides storage and handling services for petroleum products, chemicals, and edible oils. In FY25, the Gas Division accounted for ~90% of total revenue, while the Liquid Division contributed ~10%, though the latter remains the key driver of profitability due to its significantly higher margins.

Brief Consolidated Financials (₹ crore)	FY24 (A)	FY25 (A)	9MFY26 (UA)
Total operating income	7,043.86	6,757.94	5,738.82
PBILDT*	929.07	1,112.86	827.68
Profit after tax (PAT)	672.20	787.41	652.01
Overall gearing (x)	0.60	0.81	NA
Interest coverage (x)	8.03	6.73	9.99

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation, and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Proposed fund based limits		-	-	-	160.82	CARE AA; Stable
Fund-based - ST-Working Capital Limits		-	-	-	75.13	CARE A1+
Fund-based/Non-fund-based-Long Term		-	-	-	370.00	CARE AA; Stable
Non-fund-based - ST-BG/LC		-	-	-	158.85	CARE A1+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - ST-Working Capital Limits	ST	75.13	CARE A1+	-	1)CARE A1+ (21-Mar-25) 2)CARE AA; Stable (04-Apr-24)	-	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (05-Apr-22)
2	Non-fund-based - ST-BG/LC	ST	158.85	CARE A1+	-	1)CARE A1+ (21-Mar-25) 2)CARE A1+ (04-Apr-24)	-	1)CARE A1+ (25-Jan-23) 2)CARE A1+ (05-Apr-22)
3	Fund-based - LT-Proposed fund-based limits	LT	160.82	CARE AA; Stable	-	1)CARE AA; Stable (21-Mar-25) 2)CARE AA; Stable (04-Apr-24)	-	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (05-Apr-22)
4	Fund-based/Non-fund-based-Long Term	LT	370.00	CARE AA; Stable	-	1)CARE AA; Stable (21-Mar-25) 2)CARE AA; Stable (04-Apr-24)	-	1)CARE AA; Stable (25-Jan-23) 2)CARE AA; Stable (05-Apr-22)

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Proposed fund based limits	Simple
2	Fund-based - ST-Working Capital Limits	Simple
3	Fund-based/Non-fund-based-Long Term	Simple
4	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Sea Lord Containers Limited	Full	Subsidiary
2	Aegis Gas (LPG) Private Limited	Full	Subsidiary
3	Eastern India LPG Company Private Limited	Full	Subsidiary
4	Aegis International Marine Services PTE Limited, Singapore	Full	Subsidiary
5	Konkan Storage Systems (Kochi) Private Limited	Full	Step-down subsidiary
6	Aegis Terminal (Pipavav) Limited	Full	Step-down subsidiary
7	CRL Terminals Private Limited	Full	Step-down subsidiary
8	Hindustan Aegis LPG Limited	Full	Joint venture
9	Aegis Vopak Terminals Limited	Full	Joint venture
10	Aegis Group International PTE Limited, Singapore	Full	Joint venture

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

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