

Aegis Logistics Limited

October 23, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term bank facilities	RBI	530.82	CARE AA (RWD)	Placed on Rating Watch with Developing Implications
Short-term bank facilities	RBI	233.98	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has placed ratings assigned to bank facilities of Aegis Logistics Limited (ALL) on Rating Watch with Developing Implications following the company's announcement on October 13, 2026, regarding the proposed acquisition of an 89.8% stake in Tristar Holdings Limited, Dubai (Tristar), for a consideration of US\$809 million through its wholly owned step-down subsidiary, Aegis Logistics International Private Limited, Singapore.

Tristar operates a diversified global energy logistics platform with operations spanning over 30 countries and presence across maritime transportation, ship management, fuel storage and distribution, aviation fuelling, cryogenic logistics, and remote energy solutions. The proposed acquisition is expected to strengthen ALL's established liquefied petroleum gas (LPG) sourcing, storage, and distribution operations in India, while enhancing geographical diversification and strengthening its integrated logistics capabilities. The acquisition is expected to significantly enhance ALL's international presence, earnings scale, and service diversification across the energy logistics value chain. The transaction values Tristar at an enterprise value of ~US\$1.5 billion and is expected to be completed by Q4FY27, subject to receipt of regulatory approvals and fulfilment of customary closing conditions. The acquisition is proposed to be funded through a combination of internal accruals/liquidity and proposed capital raising initiatives. CareEdge Ratings will continue to monitor progress of the transaction and assess its impact on the company's business, financial risk profile and liquidity profile.

Ratings continue to reflect ALL's established market position in LPG and liquid logistics, supported by its integrated operating model, diversified terminal infrastructure and expanding distribution franchise. Operating performance improved materially in FY26 and Q1FY27, driven by higher LPG distribution volumes, healthy logistics throughput, improved asset utilisation and margin expansion. The company continues to maintain a strong financial risk profile, characterised by improved coverage indicators, a net cash position and robust liquidity supported by sizeable liquid investments and healthy operating cash flow generation.

Ratings are constrained by the company's exposure to the relatively low-margin LPG sourcing business, susceptibility of LPG trade flows and throughput volumes to geopolitical and supply-chain disruptions, and volatility in global energy prices and demand across end-user industries. Ratings further factor in the execution and integration risks associated with ALL's ongoing expansion plans and the proposed acquisition of Tristar, including the sizeable acquisition consideration, uncertainty regarding the funding mix, leverage at the acquired entity, and additional cross-border, currency, maritime and regulatory risks. The extent of the impact of the proposed acquisition on the consolidated financial profile, liquidity and leverage metrics, and ALL's ability to successfully integrate acquired operations, maintain healthy profitability and coverage metrics, and navigate potential supply disruptions, will remain key monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained growth in total operating income and improvement in profitability.
- Maintaining net debt negative position.

Negative factors

- Higher-than-envisaged consolidated debt resulting in deteriorating credit metrics with consolidated net debt/profit before interest, lease rentals, depreciation and taxation (PBILDT) greater than 2.0x.
- Substantial deterioration in scale of operations and operating margins lower than 6% on a sustained basis.

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

²Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Analytical approach: Consolidated

CareEdge Ratings has adopted a consolidated analytical approach for ALL, covering its subsidiaries, as these entities operate under common management, engage in similar business activities, and demonstrate strong financial and operational linkages. Entities considered are listed under Annexure-5.

Detailed description of key rating drivers:
Key strengths
Established promoter group and experienced management

ALL is promoted by the Chandaria family and benefits from over six decades of experience in oil, gas and chemical logistics. The group's capabilities are strengthened by its long-standing strategic relationships with Royal Vopak through Aegis Vopak Terminals Limited (AVTL) and ITOCHU Corporation. ITOCHU has historically supported ~20-25% of ALL's LPG procurement requirements, strengthening sourcing reliability, while its participation in the group's terminal platforms reflects continued strategic alignment. The company is led by an experienced management team with established expertise across LPG sourcing, terminalling, logistics, distribution, liquid storage and infrastructure development.

Leading position in LPG and liquid logistics with an integrated business model

ALL has an established position in India's LPG and liquid logistics sector, supported by a geographically diversified terminal network across key ports and an integrated presence across sourcing, shipping, storage, logistics and downstream distribution. The integrated model provides supply reliability, evacuation flexibility and access to multiple customer segments. ALL handles ~20%-25% of India's LPG imports, while its relationships with ITOCHU, public-sector oil-marketing companies and private LPG importers support sourcing and terminal volumes. The commissioning of the LPG terminals at Pipavav and Mangaluru has further expanded available ullage, geographical coverage and downstream distribution capability.

Strong improvement in operating performance

Income from operations increased by 23.17% to ₹8,323.86 crore in FY26 (PY: ₹6,757.94 crore), while PBILDT increased by 32.07% to ₹1,469.79 crore (PY: ₹1,112.86 crore), with PBILDT margin improving to 17.66% (PY: 16.47%). Improvement was driven by higher LPG logistics throughput, a sharp increase in higher-margin distribution volumes, better terminal utilisation and benefits from the integrated supply chain. Momentum continued in Q1FY27, with income from operations increasing to ₹2,463.17 crore (PY: ₹1,781.94 crore) and the PBILDT margin expanding to 33.29% (PY: 16.97%), led by record LPG distribution volumes and sustained performance in the liquids division. However, the exceptionally high quarterly margin partly benefited from geopolitical and supply-chain disruptions and should be assessed on a full-year blended basis.

Strong financial risk profile

Total debt declined to ₹4,149.94 crore in FY26 (PY: ₹4,606.04 crore), despite continuing investments in terminal and evacuation infrastructure. The debt profile was rebalanced through repayment and refinancing of rupee term loans, partly replaced by debentures, while working-capital borrowings and the shareholder loan from Vopak reduced. Stronger operating profitability and cash generation improved overall gearing to 0.47x (PY: 0.81x), total debt/PBILDT to 2.82x (PY: 4.14x) and PBILDT interest coverage to 10.08x (PY: 6.73x). Financial risk profile is further supported by AVTL's self-funded expansion model, under which capex is proposed to be funded through a balanced mix of equity, internal accruals and debt.

Liquidity: Strong

ALL's liquidity remains strong, with cash and liquid investments increasing to ₹5,009.02 crore as on March 31, 2026 (PY: ₹3,180.62 crore), supported by net cash flow from operations of ₹2,005.34 crore and improved working-capital management. Consequently, the group moved from net debt of ₹1,425.42 crore in FY25 to net cash of ₹859.08 crore in FY26. Liquidity is also supported by sizeable internal accruals, a short operating cycle and the franchise-led LPG distribution model, which entails limited capital expenditure and low working-capital requirements. The company's sizeable capex programme nevertheless requires continued prudent capital allocation and preservation of adequate liquidity.

Key weaknesses
Exposure to geopolitical, supply-chain and commodity-price risks

ALL's LPG operations remain exposed to geopolitical disturbances, changes in international trade routes, vessel availability, freight rates and volatility in global LPG and energy prices. While its integrated sourcing-to-distribution platform and long-standing relationship with ITOCHU provide operating flexibility and supply reliability, prolonged disruptions may affect procurement costs, product availability, throughput and distribution margins. Part of the strong profitability in Q1FY27 benefited from supply-chain dislocations; hence, the sustainability of margins following normalisation of geopolitical conditions remains monitorable.

Low-margin and volatile LPG sourcing operations

The LPG sourcing business is largely undertaken on a back-to-back basis and carries relatively low margins compared to terminalling and distribution. Consequently, changes in LPG prices and sourcing volumes can cause volatility in reported revenue without a proportionate impact on PBILDT. This risk is partly mitigated by increasing contribution from higher-margin LPG distribution, gas logistics and liquid-terminal operations. The business also remains exposed to industrial demand and relative price competitiveness of LPG against alternative fuels.

Execution risk associated with sizeable expansion and acquisition plans

ALL and AVTL are undertaking significant investments across LPG, liquid and specialised-chemical logistics infrastructure at multiple ports. Timely completion, stabilisation and ramp-up of new capacities remain important for generating commensurate returns, particularly given the sizeable capex pipeline. Delays in project execution, development of evacuation infrastructure or customer-volume ramp-up may moderate asset utilisation and return indicators. The proposed acquisition, pending completion, also introduces material funding and execution uncertainty. The group's ability to undertake its expansion and acquisition plans while maintaining comfortable leverage, liquidity and debt-coverage metrics will remain a key rating monitorable.

Exposure to foreign-exchange and international operating risks

ALL's LPG sourcing arrangements, overseas procurement and foreign-currency borrowings expose the company to exchange-rate and hedging risks. Although sourcing transactions are predominantly undertaken on a back-to-back basis and the company follows established treasury and risk-management practices, adverse currency movements or hedging mismatches may affect reported earnings. The distinction between analytical PBILDT and normalised operating profitability before foreign-exchange and hedging-related expenses therefore remains relevant while assessing underlying performance.

Environment, social, and governance (ESG) risks

Particulars	Risk Factors
Environmental	ALL continues to face environmental risks associated with the storage and handling of LPG, petroleum products and chemicals, including emissions, leakage, spillage and hazardous-waste generation. The company has implemented energy-efficient lighting, environmental monitoring and zero-liquid-discharge systems. In FY26, it consumed 10.30 million kWh of electricity, of which 2.65 million kWh, or ~25%, was sourced from wind energy. It also reported Scope 1 emissions of 5,402 MTCO ₂ e, water consumption of 13,183 KL and hazardous-waste disposal of 15.81 MT. However, certain environmental indicators covered only the M1 and M3 terminals and may not represent the group-wide environmental footprint.
Social	The company prioritises employee and contractor health, safety and well-being through safety audits, emergency drills, training, medical examinations and skill-development programmes. In FY26, it reported nil lost-time injuries, fatalities and high-consequence work-related injuries. The standalone workforce comprised 533 employees and 121 workers. The company's adjusted CSR obligation stood at ₹8.92 crore, of which ₹3.90 crore was spent in FY26, and ₹5.02 crore was transferred to the Unspent CSR Account for ongoing projects in education, healthcare, rural infrastructure, livelihood development and community welfare.
Governance	The company has Board-approved policies covering all nine principles under the National Guidelines on Responsible Business Conduct, supported by Board-level Audit, Risk Management, CSR, Stakeholders' Relationship, and Occupational Health, Safety and Environment oversight. The Board comprised seven directors, with female representation of 14.29%, while the FY26 business responsibility and sustainability reporting (BRSR) Core indicators were subject to reasonable assurance. The largely standalone scope of BRSR reporting, which excludes several subsidiaries and operating locations, limits visibility over the group-wide ESG profile and remains a key monitorable amid continued expansion.

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, Mangaluru, 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.

Brief Consolidated Financials (₹ crore)	FY25 (A)	FY26 (A)	Q1FY27 (UA)
Total operating income	6,757.94	8,323.86	2,463.17
PBILDT	1,112.86	1,469.79	819.88
PAT	787.41	1,106.63	544.84
Overall gearing (times)	0.81	0.47	NA
Interest coverage (times)	6.73	10.08	17.19

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:

A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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	RBI	Not Applicable	-		-	-	160.82	CARE AA (RWD)
Fund-based - ST-Working Capital Limits	RBI	Not Applicable	-		-	-	75.13	CARE A1+
Fund-based/Non-fund-based-Long Term	RBI	Not Applicable	-		-	-	370.00	CARE AA (RWD)
Non-fund-based - ST-BG/LC	RBI	Not Applicable	-		-	-	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 2026-2027	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
1	Fund-based - ST-Working Capital Limits	ST	75.13	CARE A1+	-	1)CARE A1+ (25-Mar-26)	1)CARE A1+ (21-Mar-25) 2)CARE AA; Stable (04-Apr-24)	-
2	Non-fund-based - ST-BG/LC	ST	158.85	CARE A1+	-	1)CARE A1+ (25-Mar-26)	1)CARE A1+ (21-Mar-25) 2)CARE A1+ (04-Apr-24)	-
3	Fund-based - LT-Proposed fund based limits	LT	160.82	CARE AA (RWD)	-	1)CARE AA; Stable (25-Mar-26)	1)CARE AA; Stable (21-Mar-25)	-

							2)CARE AA; Stable (04-Apr-24)	
4	Fund-based/Non-fund-based-Long Term	LT	370.00	CARE AA (RWD)	-	1)CARE AA; Stable (25-Mar-26)	1)CARE AA; Stable (21-Mar-25) 2)CARE AA; Stable (04-Apr-24)	-

LT: Long term; ST: Short term;

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

Annexure-4: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-5: List of entities consolidated as on March 31, 2026

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	Moderate	Step down subsidiary
6	Aegis Terminal (Pipavav) Limited	Moderate	Step down subsidiary
7	CRL Terminals Private Limited	Moderate	Step down subsidiary
8	Hindustan Aegis LPG Limited	Moderate	Joint Venture
9	Aegis Vopak Terminals Limited	Moderate	Joint Venture
10	Aegis Group International PTE Limited, Singapore	Moderate	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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