

Aegis Vopak Terminals Ltd

IPO Note



SUBSCRIBE

Strategic expansion and diversification in ammonia storage to fuel future growth

Aegis Vopak Terminals Ltd (AVTL) is a JV between Aegis Logistics (holding 50.1%) and Vopak India BV (holding 47.3%), and stands as India's largest third-party owner & operator of tank storage terminals for LPG and liquid products. Aegis Logistics, the promoter, is the country's leading third-party LPG handler, managing over 20% of India's LPG imports. Vopak India BV is part of Royal Vopak—a globally renowned, publicly listed tank storage company based in the Netherlands with over 400 years of industry experience. Royal Vopak operates a network of 77 terminals across 23 countries, with a combined storage capacity of approximately 35.4 mn CBM.

AVTL's revenue is driven by storage volume and per-unit realizations. Established in Jul 2021, the company had, as of Dec 31, 2024, a static liquid storage capacity of 1,497K CBM (covering petroleum, chemicals, and vegetable oils) across six Indian ports, up from 1,343K CBM in FY23. Its static gas storage capacity (including propane & butane) stood at 71K tons across two ports, up from 67K tons in FY23. The company is actively expanding both segments:

- Liquid storage capacity is set to increase by 176K CBM in FY26, with expansions underway at Mangalore (74K CBM) and JNPA (102K CBM), taking total liquid capacity to 1,673K CBM. The JNPA expansion is nearing completion.
- LPG storage capacity will rise by 130K tons in FY26, with capacity additions at New Mangalore (82K tons) and Pipavav (48K tons), resulting in a total LPG storage capacity of 201K tons.

Since FY23, AVTL has invested INR 1,022 cr in capex (including INR 116 cr in 9MFY25), increasing its net block to ~INR 4,000 cr. This expansion has raised total debt to INR 2,486 cr (long-term debt of INR 2,389 cr and short-term debt of INR 96 cr) as of December 31, 2024. The company also raised equity capital of INR 1,098 cr in FY23 and INR 800 cr in FY25.

To reduce debt by INR 2,016 cr and finance ongoing capex of INR 671 cr—specifically for the contracted acquisition of the cryogenic LPG terminal at Mangalore—AVTL plans to launch a fresh IPO of INR 2,800 cr. The IPO proceeds will significantly improve the company's cash flow by lowering leverage and supporting capacity expansion. Enhanced cash flows are expected to underpin future investments, including the development of green ammonia storage facilities at existing terminals, aligning with the government's target of 5 mn tons of green hydrogen production by 2030.

At the upper price band of INR 235, the IPO is priced at a TTM P/E of 187.7x. While this valuation appears steep, the company's ongoing LPG capacity expansion and planned future ventures into green ammonia present substantial long-term growth potential. We therefore recommend SUBSCRIBE to this IPO.

Industry	Logistics
----------	-----------

Scrip Details

Listing	BSE & NSE
Open date	May 26, 2025
Close date	May 28, 2025
Price band (INR)	223-235
Face value (INR)	10
Market lot (no sh)	63
Minimum lot	1

Shareholding (%)	Pre issue	Post issue
Promoter	97.4	85.9
Public	2.6	14.1
TOTAL	100.0	100.0

Issue Structure

Issue Size (amt.)	INR 2,800 cr
Issue Size (Sh.)	11,91,48,936
QIB Sh. (%)	75%
Non-Inst Sh. (%)	15%
Retail Sh. (%)	10%
Pre Issue sh. (nos)	98,88,42,553
Post Issue sh. (nos)	1,10,79,91,489
PostIssue MCap (cr)	INR 26,038 cr

Key consolidated financial data (INR Cr, unless specified)

	Net Revenue	EBITDA	Adj. Net Profit	EBITDA (%)	Adj Net (%)	Adj. EPS (₹)	Adj. BVPS (₹)	RoE (%)	P/E (X)	EV/EBITDA (X)
FY23	353.3	229.3	(0.1)	64.9	(0.0)	(0.0)	8.6	(0.0)	NA	121.1
FY24	561.8	397.5	86.5	70.8	15.4	0.8	9.0	8.7	300.9	71.7
TTM	650.5	487.2	138.7	74.9	21.3	1.3	17.0	7.4	187.7	57.0

*Per share data and valuation is calculated on post issue number of shares i.e. 110.8 cr

For any further query, please email us on research@venturasecurities.com

Issue structure and offer details

AVTL IPO is entirely a fresh issue of 11,91,48,936 equity shares aggregating upto INR 2800 cr at an upper price band of INR 235 per share.

Issue Structure	
Investor Category	Alloaction
Qualified Institutional Buyers (QIBs)	Not less than 75% of the Issue
Non Institutional Investors (NIIs)	Not more than 10% of the Issue
Retail Investors	Not more than 15% of the Issue

Source: RHP document

Objects of the issue

The company proposes to utilize net proceeds of INR 2800 cr in the below mentioned manner:

- INR 2,015.9 cr will be used for the repayment or prepayment of all or a portion of certain outstanding borrowings availed by the company.
- INR 671.3 cr will fund capital expenditure for the contracted acquisition of the cryogenic LPG terminal at Mangalore.
- INR 112.7 cr will be allocated for the general corporate purpose.

AVTL annual financial performance

Fig in INR Cr (unless specified)	FY22	FY23	FY24	Fig in INR Cr (unless specified)	FY22	FY23	FY24
Income Statement				Per share data & Yields			
Revenue	0.0	353.3	561.8	Adjusted EPS (INR)	(0.0)	(0.0)	0.8
<i>YoY Growth (%)</i>			<i>59.0</i>	Adjusted Cash EPS (INR)	(0.0)	0.8	1.8
Employee Cost	0.0	30.5	43.8	Adjusted BVPS (INR)	0.0	8.6	9.0
<i>Employee Cost to Sales (%)</i>		<i>8.6</i>	<i>7.8</i>	Adjusted CFO per share (INR)		1.6	3.0
Other Expenses	0.6	93.5	120.4	CFO Yield (%)		0.7	1.3
<i>Other Exp to Sales (%)</i>		<i>26.5</i>	<i>21.4</i>	Adjusted FCF per share (INR)	(0.6)	(0.1)	(1.8)
EBITDA	(0.6)	229.3	397.5	FCF Yield (%)	(0.2)	(0.0)	(0.8)
<i>Margin (%)</i>		<i>64.9</i>	<i>70.8</i>	Solvency Ratio (X)			
<i>YoY Growth (%)</i>			<i>73.4</i>	Total Debt to Equity		1.8	2.6
Depreciation & Amortization	0.0	91.2	114.0	Net Debt to Equity		1.8	2.5
EBIT	(0.6)	138.1	283.5	Net Debt to EBITDA		7.5	6.2
<i>Margin (%)</i>		<i>39.1</i>	<i>50.5</i>	Return Ratios (%)			
<i>YoY Growth (%)</i>			<i>105.3</i>	Return on Equity		(0.0)	8.7
Other Income	0.0	2.7	8.4	Return on Capital Employed		(0.1)	5.7
Bill discounting & other charges	0.5	138.2	170.9	Return on Invested Capital		5.2	8.2
Fin Charges Coverage (X)	(1.1)	1.0	1.7	Working Capital Ratios			
Exceptional Item	0.0	0.0	0.0	Payable Days (Nos)		28	9
PBT	(1.1)	2.6	121.0	Inventory Days (Nos)		8	4
<i>Margin (%)</i>		<i>0.7</i>	<i>21.5</i>	Receivable Days (Nos)		72	85
<i>YoY Growth (%)</i>		<i>(337.8)</i>	<i>4,559.9</i>	Net Working Capital Days (Nos)		52	80
Tax Expense	0.0	2.7	34.5	Net Working Capital to Sales (%)		14.4	21.9
<i>Tax Rate (%)</i>	<i>0.0</i>	<i>102.9</i>	<i>28.5</i>	Valuation (X)			
PAT	(1.1)	(0.1)	86.5	P/E		NA	300.9
<i>Margin (%)</i>		<i>(0.0)</i>	<i>15.4</i>	P/BV		27.3	26.1
<i>YoY Growth (%)</i>		<i>(93.1)</i>		EV/EBITDA		121.1	71.7
Min Int/Sh of Assoc	0.0	(0.0)	0.0	EV/Sales		78.6	50.8
Net Profit	(1.1)	(0.1)	86.5	Cash Flow Statement			
<i>Margin (%)</i>		<i>(0.0)</i>	<i>15.4</i>	PBT	(1.1)	2.6	121.0
<i>YoY Growth (%)</i>		<i>(93.1)</i>		Adjustments		221.5	323.1
Balance Sheet				Change in Working Capital		(48.9)	(72.4)
Share Capital	0.6	1.1	1.1	Less: Tax Paid	0.0	(2.7)	(34.5)
Total Reserves	1.3	952.0	996.1	Cash Flow from Operations		172.5	337.2
Shareholders Fund	1.9	953.1	997.2	Net Capital Expenditure	(64.4)	(178.9)	(662.6)
Long Term Borrowings	98.1	1,745.2	2,586.4	Change in Investments	(27.9)	(1,606.7)	(194.9)
Deferred Tax Assets / Liabilities	(0.0)	69.6	89.5	Cash Flow from Investing	(92.3)	(1,785.6)	(857.5)
Other Long Term Liabilities	0.1	580.0	631.4	Change in Borrowings	98.6	669.0	806.7
Long Term Trade Payables	0.0	0.0	0.0	Less: Finance Cost	(0.5)	(138.2)	(170.9)
Long Term Provisions	0.3	3.7	5.7	Proceeds from Equity	0.6	1,098.3	0.0
Total Liabilities	100.3	3,351.6	4,310.2	Dividend Paid	0.0	0.0	(32.9)
Net Block	19.5	3,030.3	3,490.6	Cash flow from Financing	98.6	1,629.2	602.9
Capital Work in Progress	8.5	152.4	53.1	Net Cash Flow		16.0	82.7
Intangible assets under developmer	0.0	0.0	0.0	Opening Balance of Cash		6.9	22.9
Non Current Investments	0.0	0.0	0.0	Closing Balance of Cash		22.9	105.6
Long Term Loans & Advances	65.0	115.9	609.7				
Other Non Current Assets	0.1	0.9	2.2				
Net Current Assets	7.2	52.1	154.6				
Total Assets	100.3	3,351.6	4,310.2				

*Per share data and valuation is calculated on post issue number of shares i.e. 110.8 cr

Source: RHP document

Disclosures and Disclaimer

Ventura Securities Limited (VSL) is a SEBI registered intermediary offering broking, depository and portfolio management services to clients. VSL is member of BSE, NSE and MCX-SX. VSL is a depository participant of NSDL. VSL states that no disciplinary action whatsoever has been taken by SEBI against it in last five years except administrative warning issued in connection with technical and venial lapses observed while inspection of books of accounts and records. Ventura Commodities Limited, Ventura Guaranty Limited, Ventura Insurance Brokers Limited and Ventura Allied Services Private Limited are associates of VSL. Research Analyst (RA) involved in the preparation of this research report and VSL disclose that neither RA nor VSL nor its associates (i) have any financial interest in the company which is the subject matter of this research report (ii) holds ownership of one percent or more in the securities of subject company (iii) have any material conflict of interest at the time of publication of this research report (iv) have received any compensation from the subject company in the past twelve months (v) have managed or co-managed public offering of securities for the subject company in past twelve months (vi) have received any compensation for investment banking merchant banking or brokerage services from the subject company in the past twelve months (vii) have received any compensation for product or services from the subject company in the past twelve months (viii) have received any compensation or other benefits from the subject company or third party in connection with the research report. RA involved in the preparation of this research report discloses that he / she has not served as an officer, director or employee of the subject company. RA involved in the preparation of this research report and VSL discloses that they have not been engaged in the market making activity for the subject company. Our sales people, dealers, traders and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein. We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/ information inconsistent or different those made in this report. In reviewing this document, you should be aware that any or all of the foregoing, among other things, may give rise to or potential conflicts of interest. We may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of VSL. This report is for information purposes only and this document/material should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. It is for the general information of the clients / prospective clients of VSL. VSL will not treat recipients as clients by virtue of their receiving this report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of clients / prospective clients. Similarly, this document does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The securities discussed in this report may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive this document should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. And such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this document. The projections and forecasts described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. Projections and forecasts are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections and forecasts were based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. All projections and forecasts described in this report have been prepared solely by the authors of this report independently of the Company. These projections and forecasts were not prepared with a view toward compliance with published guidelines or generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these projections or forecasts. You should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by VSL, its associates, the authors of this report or any other person that these projections or forecasts or their underlying assumptions will be achieved. For these reasons, you should only consider the projections and forecasts described in this report after carefully evaluating all of the information in this report, including the assumptions underlying such projections and forecasts. The price and value of the investments referred to in this document/material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. We do not provide tax advice to our clients, and all investors are strongly advised to consult regarding any potential investment. VSL, the RA involved in the preparation of this research report and its associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. This report/document has been prepared by VSL, based upon information available to the public and sources, believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. VSL has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed. The opinions expressed in this document/material are subject to change without notice and have no obligation to tell you when opinions or information in this report change. This report or recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. The report is for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of VSL. This report or any portion hereof may not be printed, sold or distributed without the written consent of VSL. This document does not constitute an offer or invitation to subscribe for or purchase or deal in any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is strictly confidential and is being furnished to you solely for your information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The opinions and projections expressed herein are entirely those of the author and are given as part of the normal research activity of VSL and are given as of this date and are subject to change without notice. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection. This document has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Information in this document must not be relied upon b c as having been authorized or approved by the company or its directors or any other person. Any opinions and projections contained herein are entirely those of the authors. None of the company or its directors or any other person accepts any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection therewith. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Securities Market.

Ventura Securities Limited - SEBI Registration No.: INH000001634

Corporate Office: I-Think Techno Campus, 8th Floor, 'B' Wing, Off Pokhran Road No 2, Eastern Express Highway, Thane (W) – 400608