



Sical Infra Assets Limited

*A Sical Logistics Ltd Company*

07.08.2007

# Scheme of Presentation



Background

Sical Infra Assets Ltd

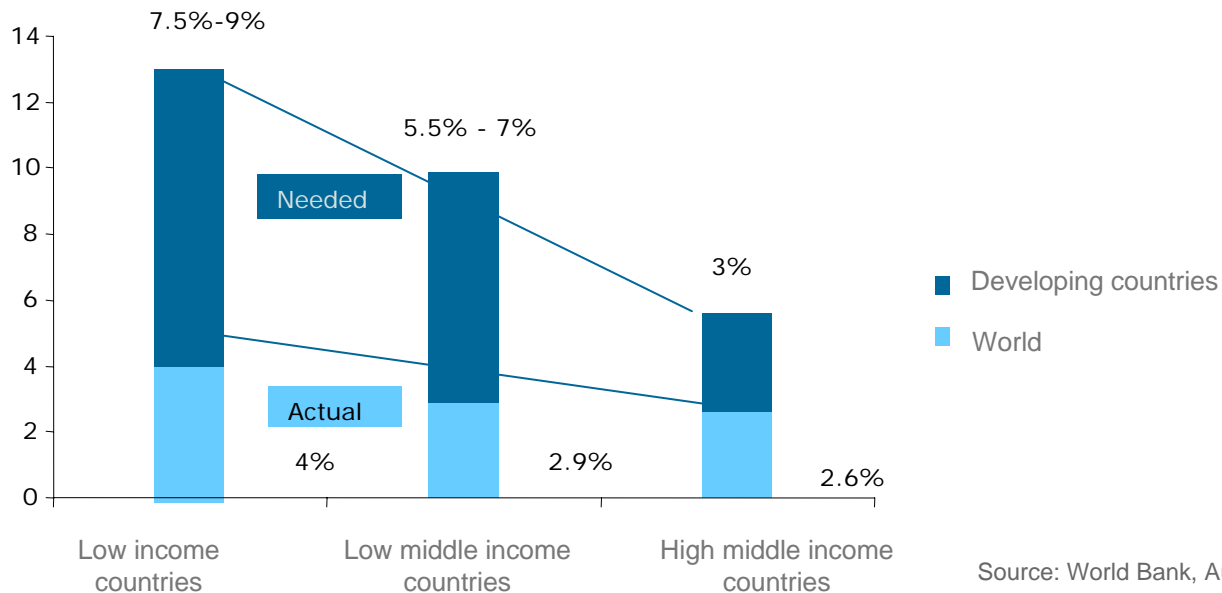
# Infrastructure opportunity



World Bank estimates investment of about US\$ 370bn annually on infrastructure development and additional US\$480bn for maintenance.

Developing countries must spend an estimated 7% of GDP annually, in order to service infrastructure requirements for both new investment and operations and maintenance of existing infrastructure.

Actual Vs. Needed expenditure for infrastructure



Source: World Bank, August 2006

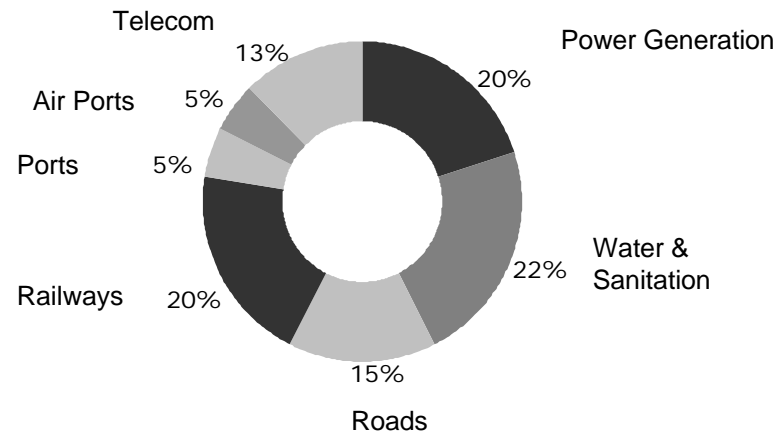
# Indian Infrastructure Investment opportunity



Indian planning commission estimates investment of about US\$320 bn into infrastructure is necessary over the next five years to sustain the momentum of economic growth in India.

“Out of \$320 bn, about \$65bn is likely to be funded by public private partnerships and about \$20bn is to be funded as equity by private players” says PricewaterhouseCoopers

Sectoral Allocation of New Investments - India (2005-'10)



Source: World Bank, August 2006

# Indian Infrastructure Investment opportunity



Total investment opportunity of USD 58 bn over next decade for development of port infrastructure, road and rail networks.

## Road

Investment of around USD 8 bn upto 2012 for developing the road network

12 NHDP projects to connect 10 major ports by 357 km

9 PPP projects covering further 269 km

Less than 50% of projects completed

## Rail

Investment of USD 4800 mn For dedicated freight corridor

13 rail connectivity projects

8 hinterland corridor projects

Completion until end of 2009 expected

## Ports

USD 5400 mn is required until 2016 to phase out capacity constraints and improve the efficiency of Indian Ports

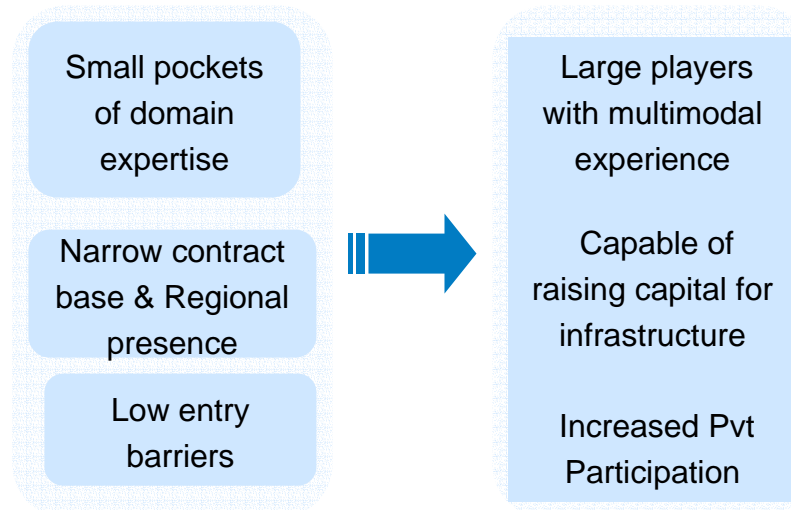
Immediate cargo handling buildup requires USD 0.7 bn at present

# Changing Logistics Market dynamics



Indian Logistics market characteristics are changing rapidly in favour of organised integrated players who can control the entire value chain

- Logistics sector– changing industry dynamics favor larger players with deep pockets.
- Sical has been proactive at recognizing the changing logistics sector dynamics.
- Consciously veering from services-oriented, asset light logistics services to asset-rich, capital-intensive ventures like the Iron Ore terminal at Ennore, Container Train operations, Multimodal logistics hubs, Container terminal at Chennai etc.



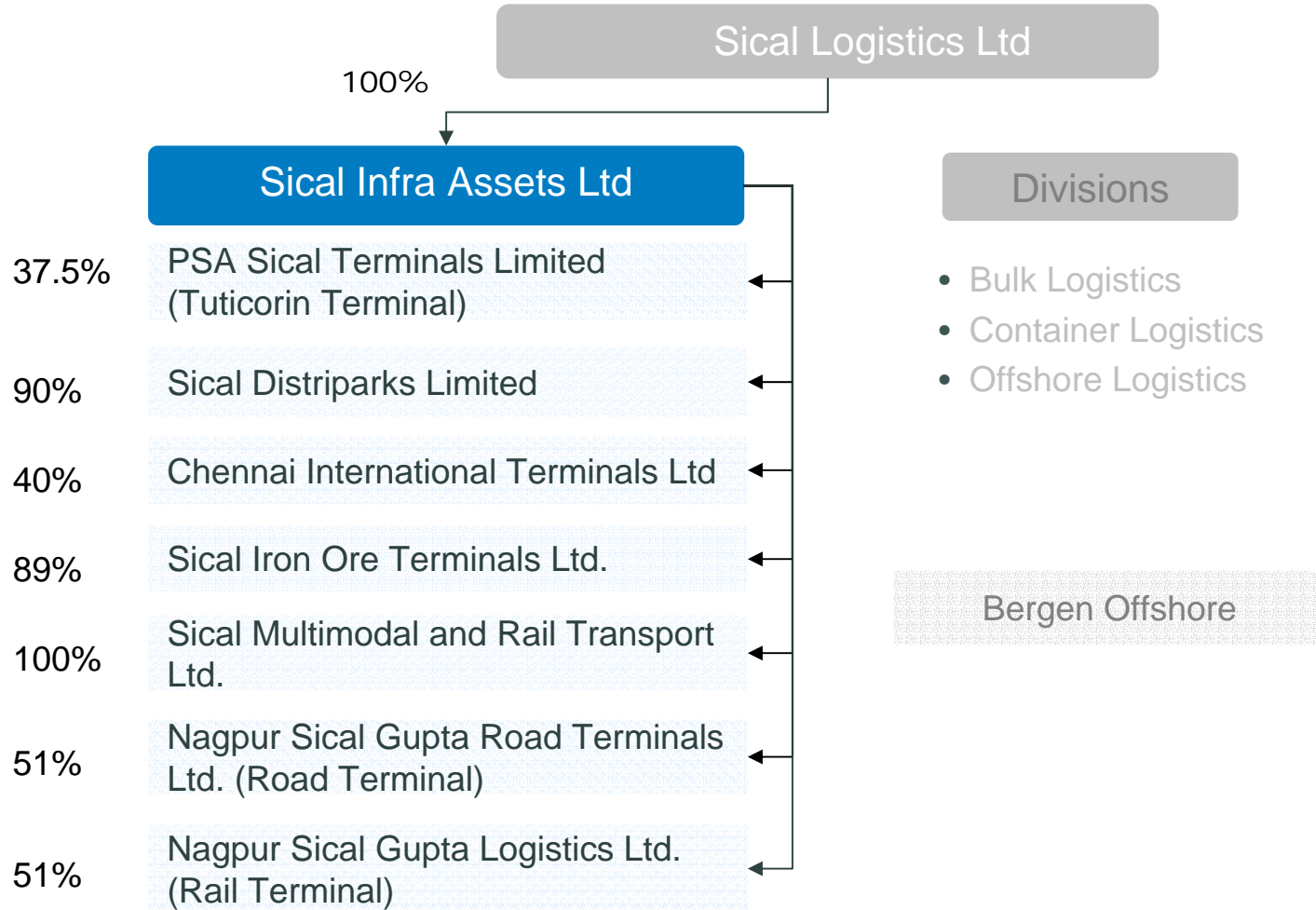
# Scheme of Presentation



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Sical Infra Assets Ltd

# Proposed structure



# Rationale of Sical Infra Assets Ltd



- Segregation of services and infrastructure business
- Dedicated management teams
- Ability to attract different investor classes
- Sical's shareholders to limit dilution in asset heavy ventures
- Create leverage for Sical's traditional services businesses
- Provides ability to leverage value resident in the infrastructure businesses
- Potential listing of SIAL an added attraction for Sical's shareholders
- Significant vehicle to drive financial closure for pending projects

- JV with Port of Singapore Authority (PSA), Sical holds 37.5% stake
- PSA International Pte Ltd, global leader in ports and terminals, with investments in 20 ports across 11 countries
- Manages container terminal at Tuticorin since 1999
  - 1800 ground slots, 6500 TEUs capacity and 84 reefer points
- FY 2006 – Revenue of Rs 745 mn



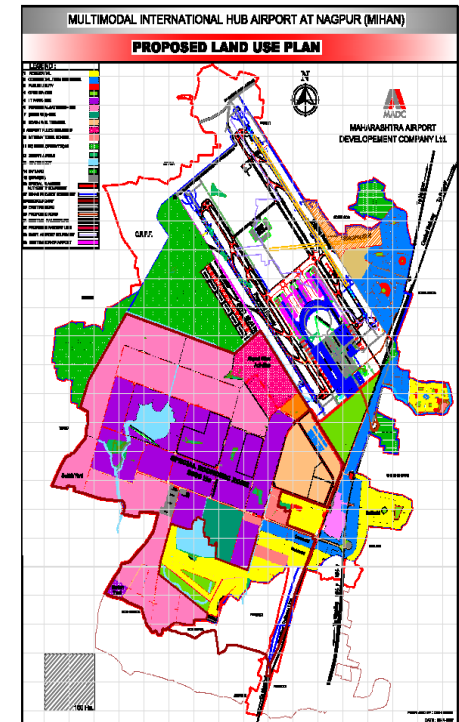
# Sical Iron Ore Terminal



- Sical led consortium to operate terminal on BOT basis for 30 years
- Largest iron ore terminal in Asia with initial capacity of 12 mn tons, with stack yard of 1.2 mn tons
- Concession agreement with Ennore Port
- Capex of Rs 3600 mn in first Phase 1 and Rs 4800mn in Phase 2
- Operational from 2009



- Consortium of Sical, MADC and Gupta Coal Sical to build MIHAN railway terminal at Nagpur on B-O-T basis
- To install infrastructure for rail terminal operations
- Planned capacity – 1,50,000 TEUs
- Capex of Rs 750 mn
- Operational in Q1 of FY 2008-09



# Nagpur Sical Gupta Road Terminal Ltd



- Consortium of Sical, MADC and Gupta Coal to build road terminal at Nagpur
- Road terminal infrastructure with truck parking facilities, warehouses, cold storage and open stacking areas
- Freight exchange model with Sical as integrator cum consolidator
- Capex of Rs 1200mn
- 60 hectare plot with 66 years lease

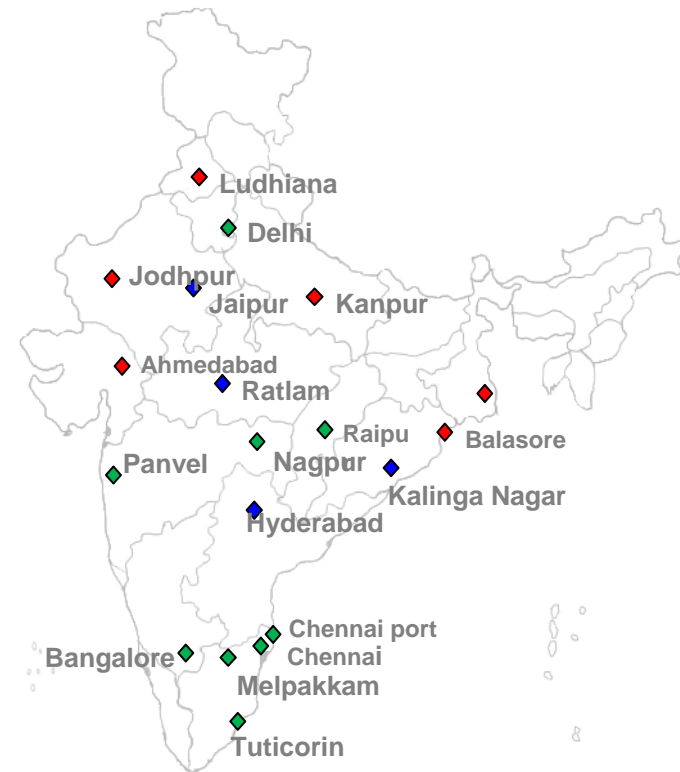


Road Terminal plan

# Sical Multimodal and Rail Transport Ltd



- Sical Multimodal and Rail Terminal Ltd (SMART), a subsidiary, is developing Rail linked terminals with network of ICDs/CFS in Hub and Spoke model
- Rail license for 20 years, to be operational by 2008
- Sical will run container trains and also procure custom designed rolling stocks and containers
- Capex of Rs 3140 mn



- ◆ Proposed terminals, Phase I
- ◆ Proposed terminals, Phase II
- ◆ Proposed terminals, Phase III

- Sical Distriparks, a subsidiary, owns a 55 acre CFS in Chennai
- CFS at Ennore
- Container stacking capacity of 3000 TEUs
- Service offerings include CFS EXIM operations, container yard, warehousing and transport facilities
- FY 2007 – Revenue Rs 478 mn



# Chennai Container Terminal Pvt. Ltd.



- Joint venture between Sical and PSA
- Developing second container terminal at Chennai
- Planned capacity of 1.05 MT TEUs
- To be operational from 2009



Thank you