

Corporate Office:

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HUBBALLI- 580 029 Karnataka State
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To,

**BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001
Scrip Code: 539118**

**National Stock Exchange of India Limited
Exchange Plaza, Plot No.C/1, G-Block,
Bandra – Kurla Complex, Bandra (E),
Mumbai – 400 051
Scrip Code: VRLLOG**

Dear Sir / Madam,

Sub: Submission of Earnings Presentation

With respect to above captioned subject and in accordance with the extant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and other applicable laws for time being in force, we enclose herewith the Earnings Presentation of the Company which would also be hosted on the website of our Company.

We request you to kindly take note of the same

Thanking you,

Yours faithfully

For VRL LOGISTICS LIMITED



**ANIRUDDHA PHADNAVIS
COMPANY SECRETARY AND
COMPLIANCE OFFICER**

Date: 05.08.2024

Place: Hubballi

Q1 FY2024-25 Earnings presentation



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VRL – MARKET LEADER IN B2B PARCEL SEGMENT



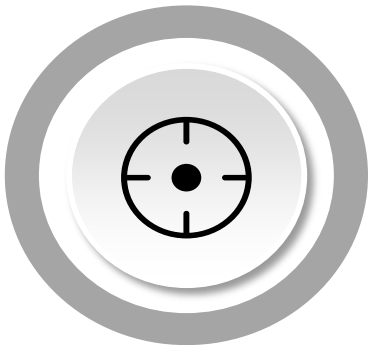
Only “Owned Asset” organised player in Less than Truckload logistics business in India



Pan-India surface logistics services provider with an established brand having one of the largest distribution networks in India



Integrated hub-and-spoke operating model ensuring efficient consignment distribution



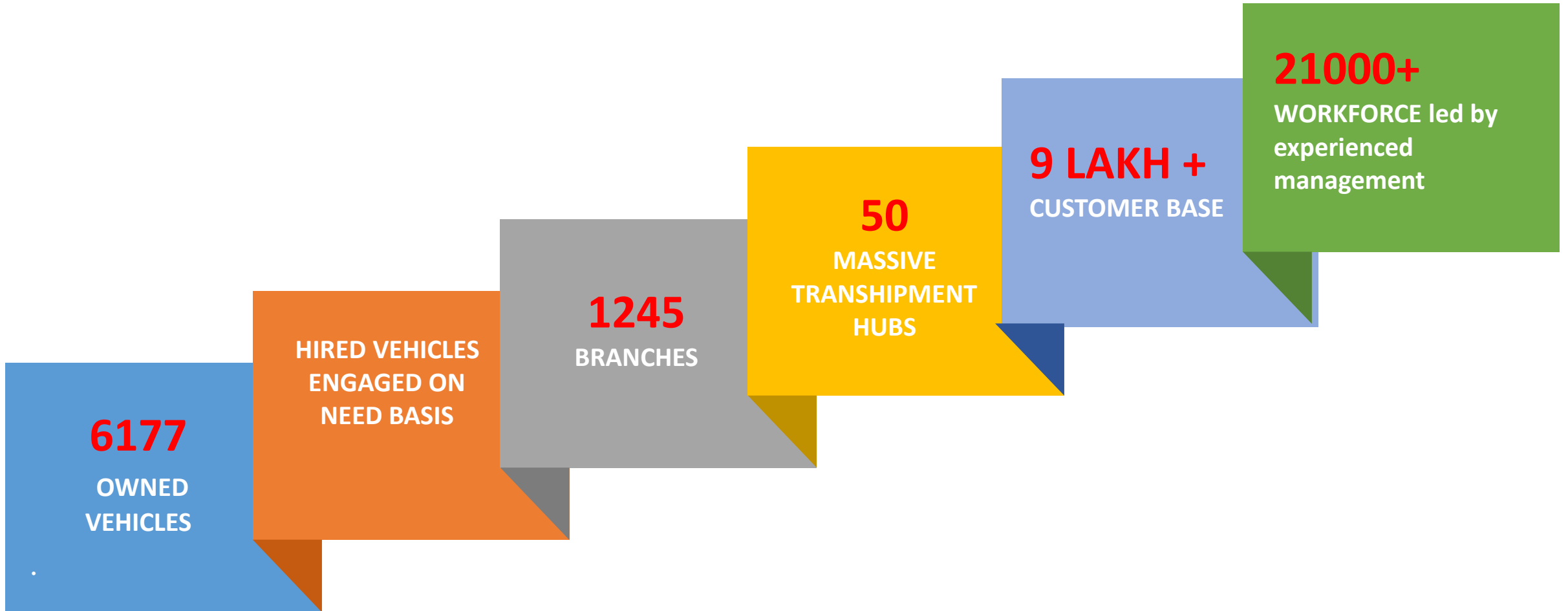
Dedicated In-house maintenance facilities, inventory of spare parts and In-house software & technology capabilities



Apt asset owned model leads to higher operating margins, higher cash flows & return metrics



Diversified Customer base offering varied Commodity mix



6177
OWNED
VEHICLES

HIRED VEHICLES
ENGAGED ON
NEED BASIS

1245
BRANCHES

50
MASSIVE
TRANSHIPMENT
HUBS

9 LAKH +
CUSTOMER BASE

21000+
WORKFORCE led by
experienced
management

VRL - KEY DIFFRENTIATORS

India – 66% Goods transported by road

→ Long Term Sustainability

❖ VRL

→ Only “Owned Asset” organised player in LTL business in India

❖ Operating model

→ Integrated hub-and-spoke operating model ensuring efficient consignment distribution

❖ VRL owns 6177 GT vehicles

→ Efficient operations with largest fleet and minimal outsourcing of transportation

❖ Distribution Network

→ Robust pan India network across **24** states, **5** union territories, having **1245** branches, including **50** massive transshipment hub facilities

❖ Vehicles Specially Designed by OEM`s / in-house

→ Ensures Higher Payload

❖ Owned Vehicle operations, maintenance & Driver management

→ Entry Barrier



VRL - KEY DIFFRENTIATORS

- ❖ ~24% vehicles Fully Depreciated → Lower Costs
- ❖ ~ 83% vehicles Debt Free → No Associated finance costs
- ❖ Financial performance & position → Track record of growth and robust financial position
- ❖ EBITDA Margins → @14% (Q1FY25)
- ❖ Cash Profits/Cash EPS → High cash profit margins & Cash EPS
- ❖ Minimal Outsourcing of transport → No Additional Margin to be Paid to Outside Vehicle Service Provider
- ❖ Bulk procurement policy → Economies of scale
- ❖ Adding New Age Vehicles → Addition of Electric and CNG vehicles



VRL - KEY DIFFRENTIATORS

❖ Most efficient collection mechanism

- Hardly any collectible more than 90 days.
- Trade Receivables at **12** days of Total revenue in FY24

❖ Procurement of diesel directly from Refineries by establishing own fuel pumps in key locations.

❖ Wide range of Customers

- Not dependent on any single major customer or any product category.

❖ Own workshop, Own fittings, Own Body Building, Own Design











- Lowest cost Operator.

❖ Maintaining higher volume growth

❖ Lower Net Debt Level – **INR 274 Crs.**

- Lower cash burnout for servicing and repayment.

KEY METRICS

| | Q1YoY | QoQ |
|----------------------------------|---|---|
| Total Income (Rs in Lakhs) | 74198  9% | 74198  (4%) |
| | 68310 | 77221 |
| Tonnage Delivered (in'000 MT) | 1070  7% | 1070  (5%) |
| | 1002 | 1130 |
| Capacity Addition (tons) | 88198  8% | 88198  2% |
| | 81885 | 86405 |
| Branches (In Numbers) | 1245  105 | 1245  36 |
| | 1140 | 1209 |
| Capex (Rs in Lakhs) | 4963  (3749) | 4963  (1695) |
| | 8712 | 6659 |

FINANCIALS

| Rupees in Lakhs | Q1 | | Q1 YoY | Q4 | QoQ | 12m | | 12m YoY |
|-------------------------|-------|-------|------------|-------|------------|--------|--------|------------|
| | FY25 | FY24 | Growth (%) | FY24 | Growth (%) | FY24 | FY23 | Growth (%) |
| Revenue from Operations | 72721 | 67422 | 8% | 76840 | (5%) | 288862 | 264852 | 9% |
| Other income | 1477 | 888 | 66% | 381 | 287% | 2110 | 1434 | 47% |
| Total Income | 74198 | 68310 | 9% | 77221 | (4%) | 290972 | 266287 | 9% |
| EBITDA | 10167 | 11081 | (8%) | 10915 | (7%) | 41454 | 41600 | (0.4%) |
| Margin (%) | 14% | 16% | | 14% | | 14% | 16% | |
| EBIT | 4017 | 6188 | (35%) | 5087 | (21%) | 19838 | 25686 | (23%) |
| Margin (%) | 5% | 9% | | 7% | | 7% | 10% | |
| PBT | 1760 | 4561 | (61%) | 2911 | (40%) | 12051 | 20252 | (40%) |
| Margin (%) | 2% | 7% | | 4% | | 4% | 8% | |
| PAT | 1344 | 3395 | (60%) | 2154 | (38%) | 8906 | 16614 | (46%) |
| Margin (%) | 2% | 5% | | 3% | | 3% | 6% | |

Note: Margins calculated as a percentage of Total Income

FINANCIAL PERFORMANCE

Revenue Analysis

- Revenue increased by 8.62% Q1YoY and decreased by 3.92% QoQ
- Other Income includes Profit on sale of Property, plant and equipment (Net) of Rs.1117.10 lakhs
- Freight Rates hiked from last week of June-24
- Volumes up by 6.77% Q1YoY from 1002K MT to 1070K MT, down by 5.32% QoQ from 1130K MT to 1070K MT
- Mobility of support staff (Drivers & Loading/Unloading staff) to their native places during election period resulted in prolonged absence thereby impacting loading /unloading services and vehicle turnaround time
- Heat wave in the North affected volumes and efficiency
- To ensure continuity of operations, temporary workforce had to be engaged wherever service levels were impacted resulting in additional expenses
- Tonnage Contribution by new branches

| | Q1 YOY | QOQ |
|-------------------------------|--------|-------|
| Branches Added (Net) | 105 | 36 |
| Contribution to Total Tonnage | 3.55% | 0.22% |

- Realisation per ton maintained constant QoQ @ 6723(Q1FY25) and up by 1.11% YoY

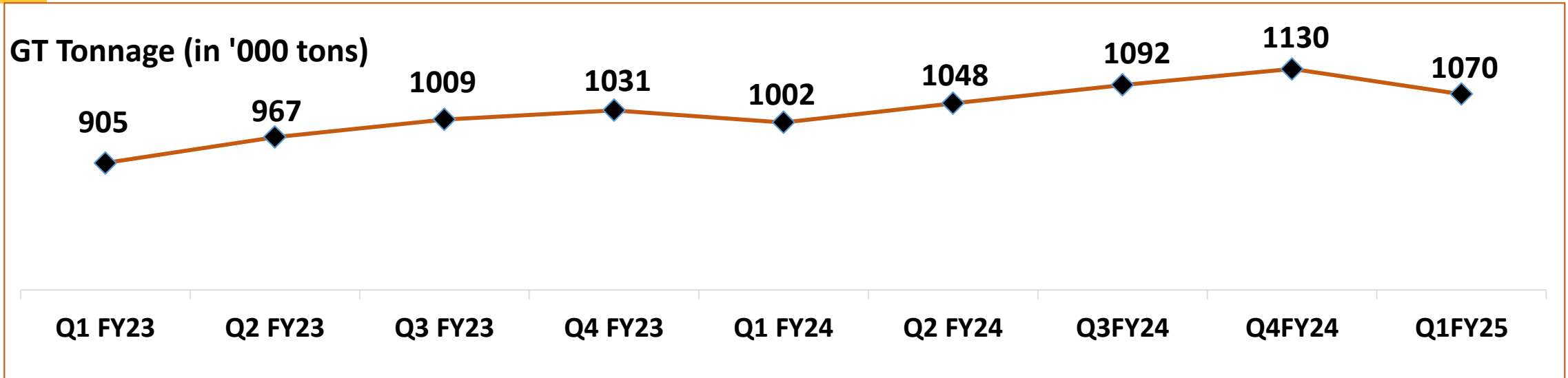
PROFITABILITY ANALYSIS

| Q1 YOY | Q1-25 | Q1-24 | Difference (%) | Reasons |
|--|----------------|---------------|----------------|--|
| | (% to Revenue) | | | |
| EBITDA | 13.70% | 16.22% | (2.52%) | |
| Fuel cost | 28.74% | 29.76% | (1.01%) | <ul style="list-style-type: none"> GT DIESEL consumption qty increased by 6.9% due to increase in kms run by own vehicles. Average procuring cost per litre of Diesel down by 1.56% from Rs 87.54 to Rs 86.18. Procurement from refineries as a percent of total quantity increase by 1.59% from 31.73% to 33.32% |
| Lorry Hire | 7.44% | 8.41% | (0.98%) | <ul style="list-style-type: none"> Decrease in long haul hired vehicle Kms, as Kms covered by own vehicles increases |
| Vehicle Running, Repairs & Maintenance | 4.97% | 3.61% | 1.36% | <ul style="list-style-type: none"> Increase in Kms covered by owned vehicles. Increase in driver incentives. |
| Stores and Spares consumed | 2.29% | 2.07% | 0.22% | <ul style="list-style-type: none"> Percentage maintained. |
| Tyres, Flaps and Re-treading | 2.58% | 1.87% | 0.71% | <ul style="list-style-type: none"> Increase in Kms covered by owned vehicles |
| Bridge & Toll expenses | 7.87% | 7.76% | 0.11% | <ul style="list-style-type: none"> Increase in number of Toll Plazas from 1268 to 1438 across India, increase in Toll Rates and Increase in Kms by Owned vehicles. |
| Rent | 2.36% | 1.97% | 0.39% | <ul style="list-style-type: none"> Addition of new branches. Expansion in existing branches/TPT area |
| Hamali (Loading & Unloading charges) | 7.00% | 6.59% | 0.41% | <ul style="list-style-type: none"> Increase in Loading and Unloading rates/ additional expenses per ton. |
| Employee Cost | 17.81% | 16.28% | 1.53% | <ul style="list-style-type: none"> Annual increments from Sep-23, Increase in number of employees due to addition of new branches & Internal promotions on selective basis |
| Other Expenses | 5.24% | 5.46% | (0.22%) | <ul style="list-style-type: none"> Percentage maintained. |
| Depreciation | 8.29% | 7.16% | 1.13% | <ul style="list-style-type: none"> Due to increase in capex & increase in ROU on account of addition/expansion of new leased branches/TPT's area. |
| EBIT | 5.41% | 9.06% | (3.64%) | <ul style="list-style-type: none"> Due to decrease in EBITDA and increase in depreciation |
| Finance Costs | 3.04% | 2.38% | 0.66% | <ul style="list-style-type: none"> Due to increase in debt & increase in Lease Liabilities on account of Addition/Expansion of new leased branches/ TPT areas |
| PBT | 2.37% | 6.68% | (4.31%) | <ul style="list-style-type: none"> Due to decrease in EBITDA, and increase in depreciation & finance costs |
| PAT | 1.81% | 4.97% | (3.16%) | <ul style="list-style-type: none"> Due to decrease in EBITDA, and increase in depreciation & finance costs |

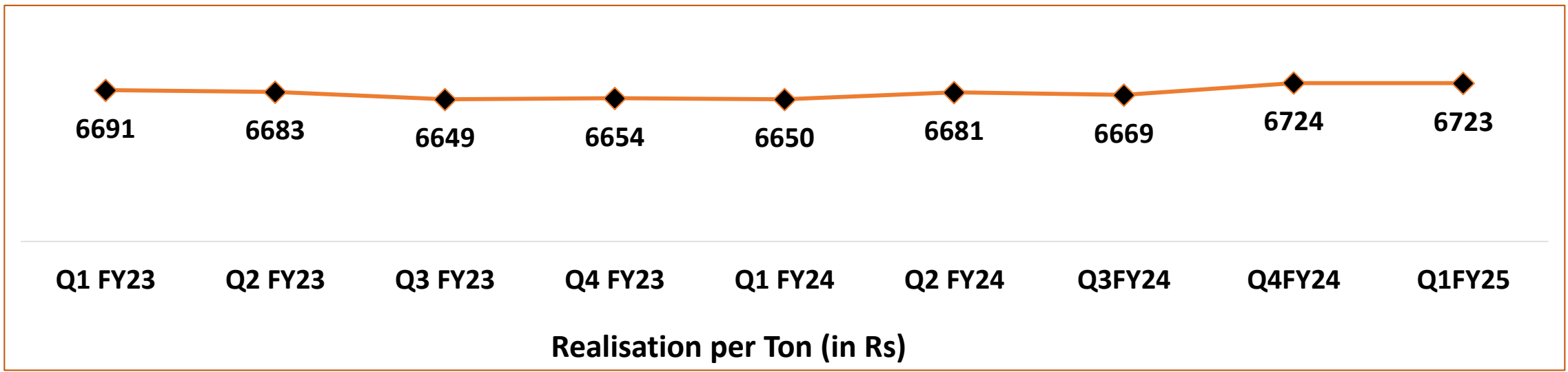
PROFITABILITY ANALYSIS

| QOQ | Q1-25 | Q4-24 | Difference (%) | Reasons |
|--|----------------|---------------|----------------|--|
| | (% to Revenue) | | | |
| EBITDA | 13.70% | 14.13% | (0.43%) | |
| Fuel cost | 28.74% | 29.22% | (0.48%) | <ul style="list-style-type: none"> GT DIESEL consumption qty decreased by 3.5% Average procuring cost per litre of Diesel down by 1.77% from Rs 87.73 to Rs 86.18 Procurement from refineries as a percent of total quantity increases by 1.81% from 31.51% to 33.32% |
| Lorry Hire | 7.44% | 8.30% | (0.86%) | <ul style="list-style-type: none"> Decrease in long haul hired vehicle Kms |
| Vehicle Running, Repairs & Maintenance | 4.97% | 5.02% | (0.05%) | <ul style="list-style-type: none"> Decrease in kms run by own vehicles. Increase in Driver Incentives |
| Stores and Spares consumed | 2.29% | 2.55% | (0.26%) | <ul style="list-style-type: none"> Percentage maintained. |
| Tyres, Flaps and Re-treading | 2.58% | 2.31% | 0.27% | <ul style="list-style-type: none"> Increase due to periodic replacement of tyres |
| Bridge & Toll expenses | 7.87% | 7.71% | 0.16% | <ul style="list-style-type: none"> Increase in number of Toll Plazas from 1383 to 1438. Increases in toll rates from Apr-24. |
| Rent | 2.36% | 2.17% | 0.19% | <ul style="list-style-type: none"> Due to Ind As 116 accounting effect the rental expenses is accounted into Depreciation and Interest expenses |
| Hamali (Loading & Unloading charges) | 7.00% | 6.90% | 0.10% | <ul style="list-style-type: none"> Increase in Loading and Unloading charges . |
| Employee Cost | 17.81% | 16.60% | 1.21% | <ul style="list-style-type: none"> Increase in number of employees due to addition of new branches & Internal promotions on selective basis. Increase in Drivers salary |
| Other Expenses | 5.24% | 5.08% | 0.16% | <ul style="list-style-type: none"> Percentage maintained. |
| Depreciation | 8.29% | 7.55% | 0.74% | <ul style="list-style-type: none"> Due to increase in capex and increase in ROU on account of addition/expansion of new leased branches/TPT's area. |
| EBIT | 5.41% | 6.59% | (1.17%) | <ul style="list-style-type: none"> Due to decrease in EBITDA, and increase in depreciation |
| Finance Costs | 3.04% | 2.82% | 0.23% | <ul style="list-style-type: none"> Increase in debt and increase in lease liability on account of addition/expansion of new leased branches/TPT's area. |
| PBT | 2.37% | 3.77% | (1.40%) | <ul style="list-style-type: none"> Due to decrease in EBITDA, and increase in depreciation & finance costs |
| PAT | 1.81% | 2.79% | (0.98%) | <ul style="list-style-type: none"> Due to decrease in EBITDA, and increase in depreciation & finance costs |

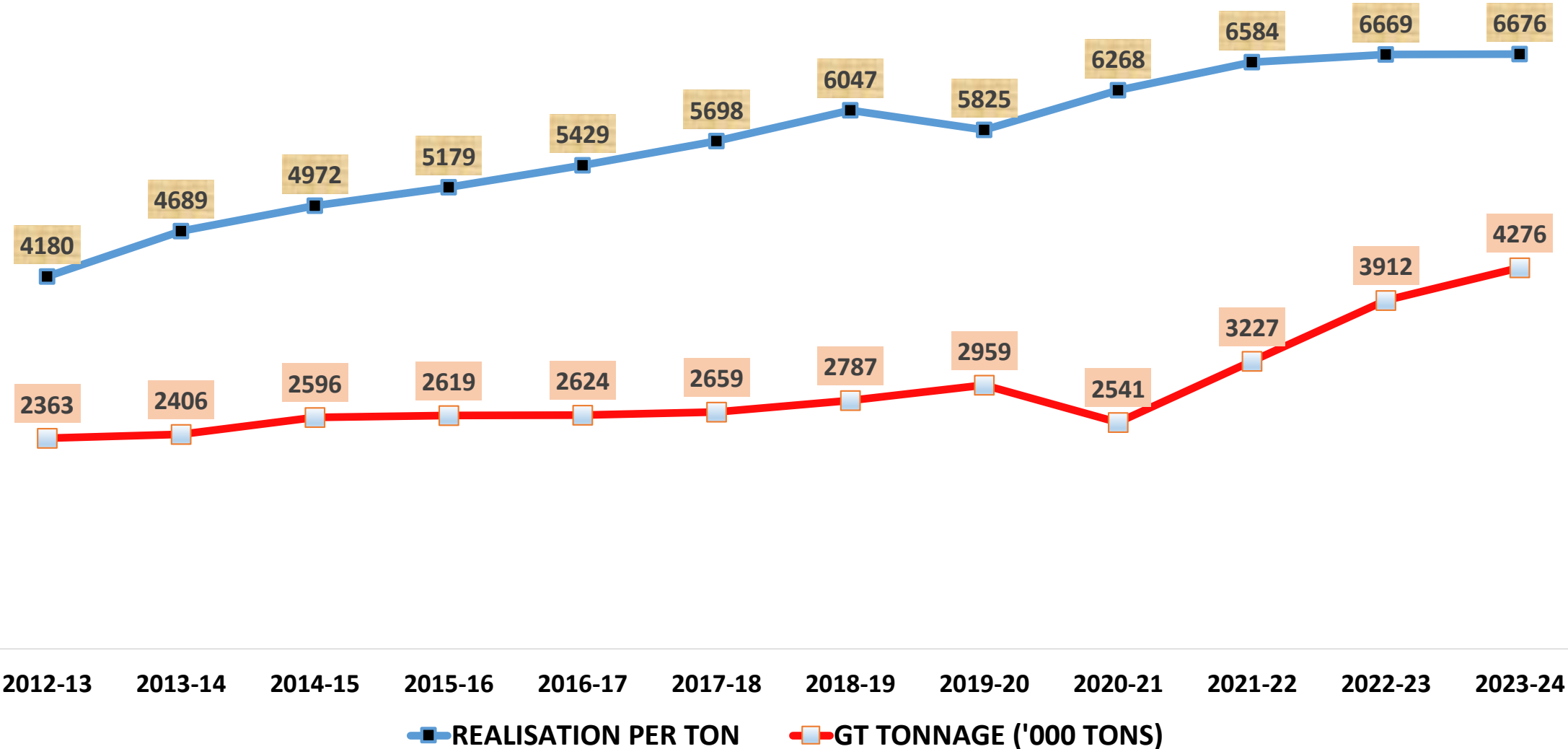
TONNAGE AND REALISATION



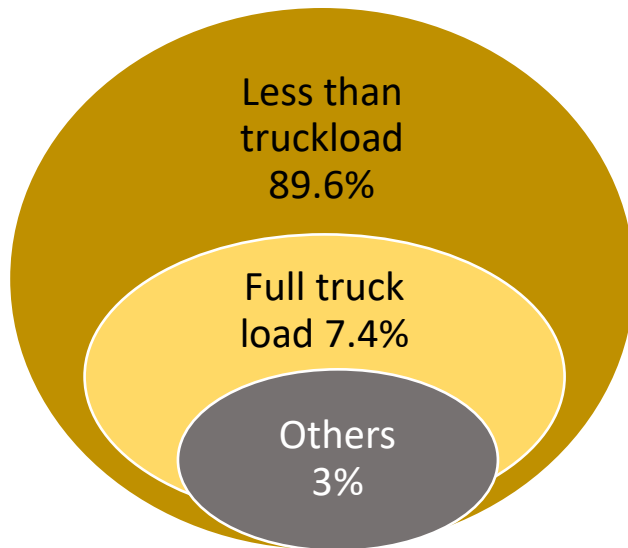
11500+ TONS SERVICED ON A DAILY BASIS (Q1FY2025)



CONSISTENT GROWTH IN TONNAGE & REALISATION



Revenue breakup (Q1 FY25)



* % to Total Revenue

Focus on high margin LTL business

- LTL involves transportation of consignments belonging to multiple customers in single vehicle
- Our wider reach and adequate infrastructure helps in aggregating less than truckload consignments from various clients and sending them to the desired destinations

Pan-India Hub and Spoke model of distribution:

- Significant flexibility to transport a broad range of parcel sizes for both regional and national customers and also positioning as single stop service provider for multiple destinations

B2B Focus - Diversified sectors and customers

- The primary focus is on B2B customers across diversified sectors. The top ten customers contribute not more than 3% of total revenue

The background features a gradient from blue on the left to orange on the right, with white curved shapes in the corners.

FLEET

OWNED FLEET

1

We take pride in our extensive fleet of modern, well-maintained vehicles that are optimized for efficiency and reliability.

2

Our diverse fleet includes a wide range of trucks, trailers, and specialized equipment to handle any freight requirements. Our vehicles are regularly serviced and inspected to meet the highest industry standards.

3

From large trucks for long-haul transportation to nimble delivery vans for urban areas, we have the right vehicle for every job and equipped with GPS to track vehicles as well as consignments.

4

Our vehicles are regularly serviced and inspected to meet the highest industry standards. All our vehicles are covered ensuring highest safety of consignments

5

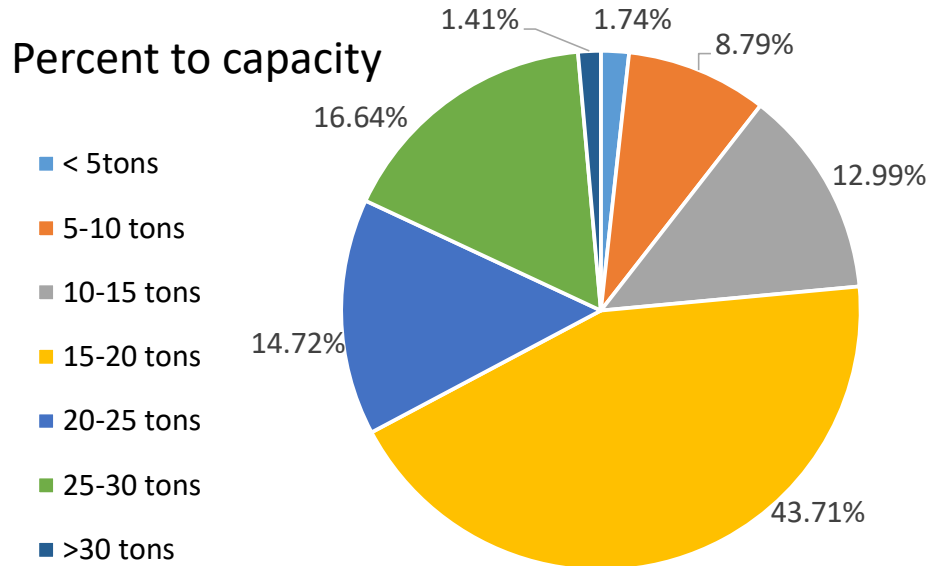
With a strong focus on safety and compliance, all our drivers are on the payroll of the company & undergo extensive training .

6

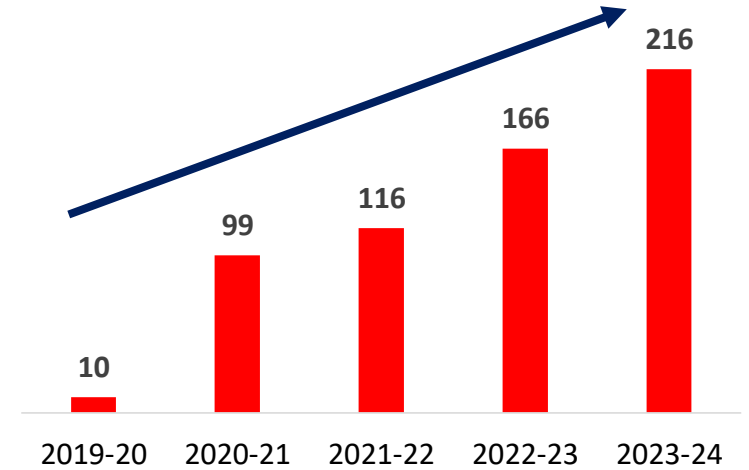
This commitment to excellence ensures that your cargo is transported with the utmost care and arrives at its destination on time and in perfect condition.



FLEET & CAPACITY

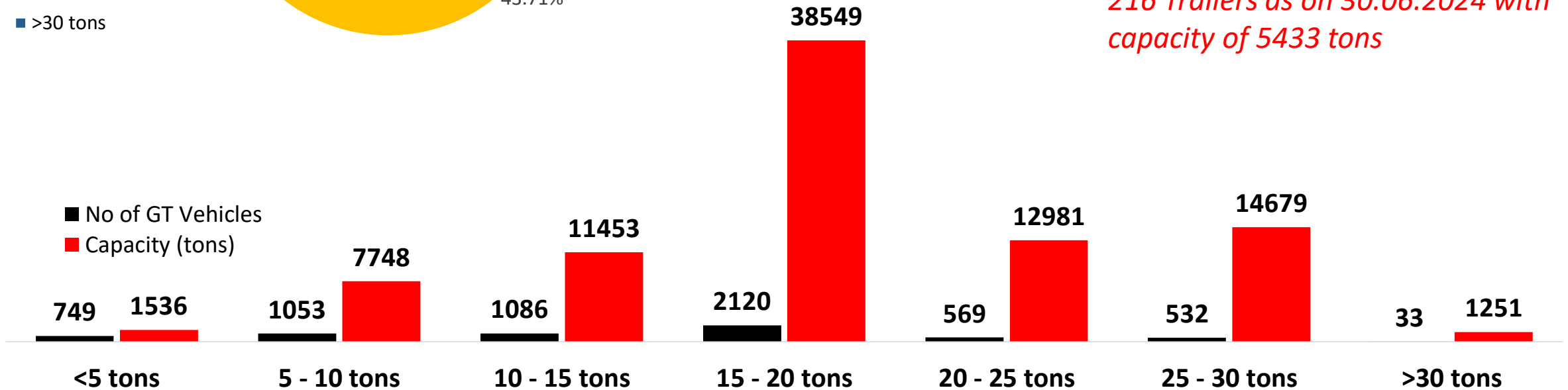


*Total GT Vehicles :
6142 --excluding
Cranes(14) and
Tankers(21)
GT vehicles carrying
Capacity: 88198 tons*



■ Trailers added (Cumulative)

*216 Trailers as on 30.06.2024 with
capacity of 5433 tons*





- **891** new vehicles added in FY 24 & **230** new Vehicles added in Q1FY25



- Currently operating with **216** Trailers



- Total Goods Transportation Fleet Capacity at **88198 tons**



- **5098 (83%)** debt free vehicles



- **1489 (24%)** vehicles fully depreciated and operation in optimal condition



- Additional Usage of Hired Vehicles on need basis

6177 Company owned vehicles

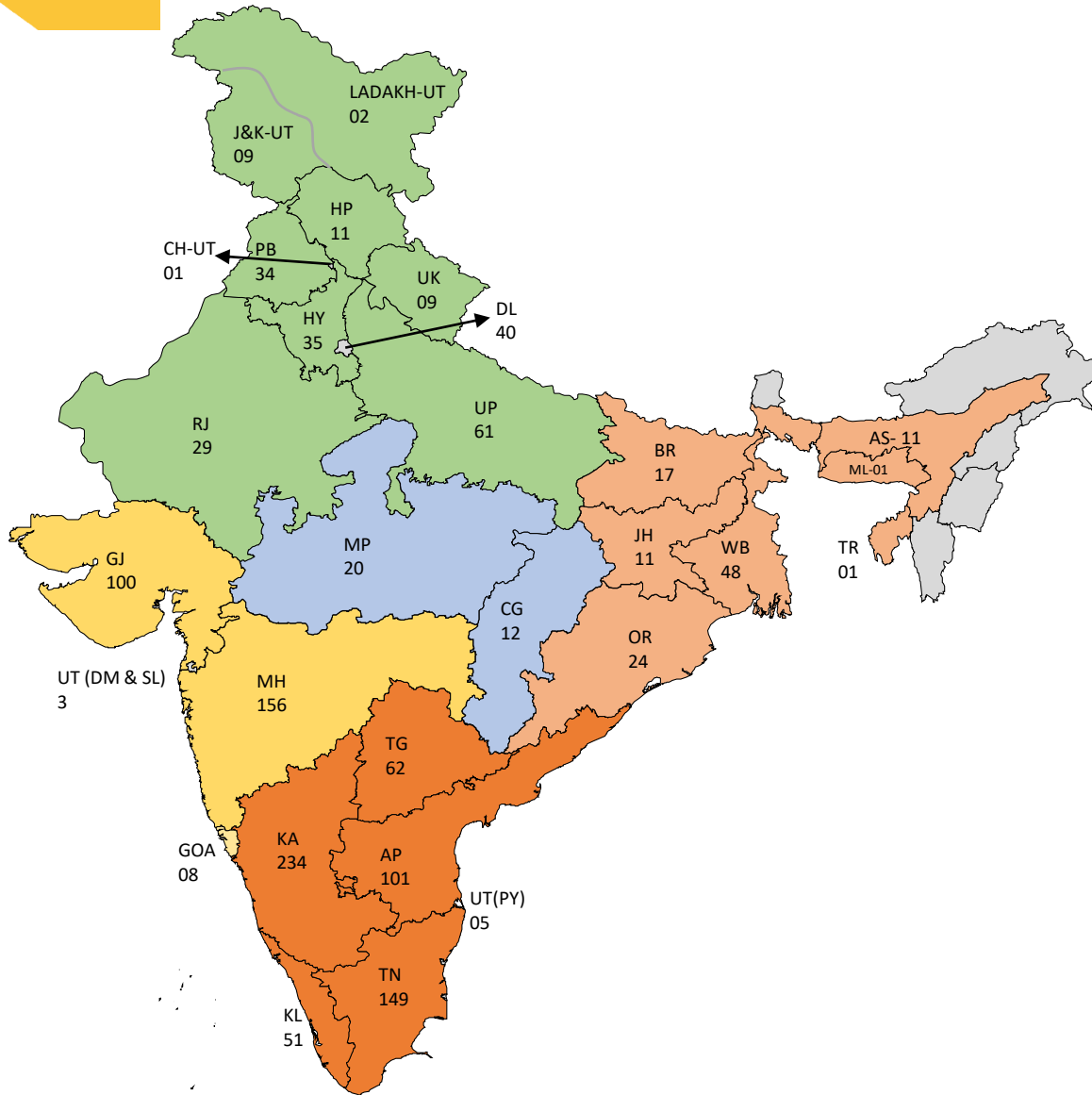


1 Ton to 36 Tons Carrying Capacity



NETWORK

NETWORK



- 24 States & 5 Union Territories
- 1245 Branches
- 50 Strategically placed Hubs
- Market Leader In LTL Segment
- Hub & Spoke Model
- Focus on Geographical Expansion
- Service extended into newer territories

WIDE RANGE OF SECTORS SERVED

Expertise In Handling
Variety of Commodities

Diversified B2B Customer
Base across Wide Range
of Industries

Storage facility available in
all our Delivery branches

Hassle Free Claim
Settlement in the
Industry



No single customer
contributing more than
~1% of Total Revenue

Lowest Bad Debts -

Contribution from Top 10
customers accounts not
more than ~3% of total
Goods transportation
business

KEY DEVELOPMENTS – Q1FY25

Addition of 42 new branches in Q1FY25. Closed -06 branches. Total number of branches as on 30.06.2024 is 1245

Expansion of existing Branch Area/TPT Area like Patna, Ahmedabad, Madurai & Pune

Number of GT Vehicles increased from 5994 vehicles in FY24 to 6177 vehicles in Q1FY25. New Vehicles added in Q1FY25 -230 (EV-30, HCV-173, LCV- 17, SV- 10), sold/scrapped : 47 vehicles- (HCV-43, LCV-2,TANKER-2) Overall vehicle numbers increased by 183 vehicles.

Higher consumption at owned fuel pumps – Direct procurement from refineries

Net debt increased from Rs. 26205.62 lakhs as on 31.03.2024 to Rs. 27361.77 lakhs as on 30.06.2024

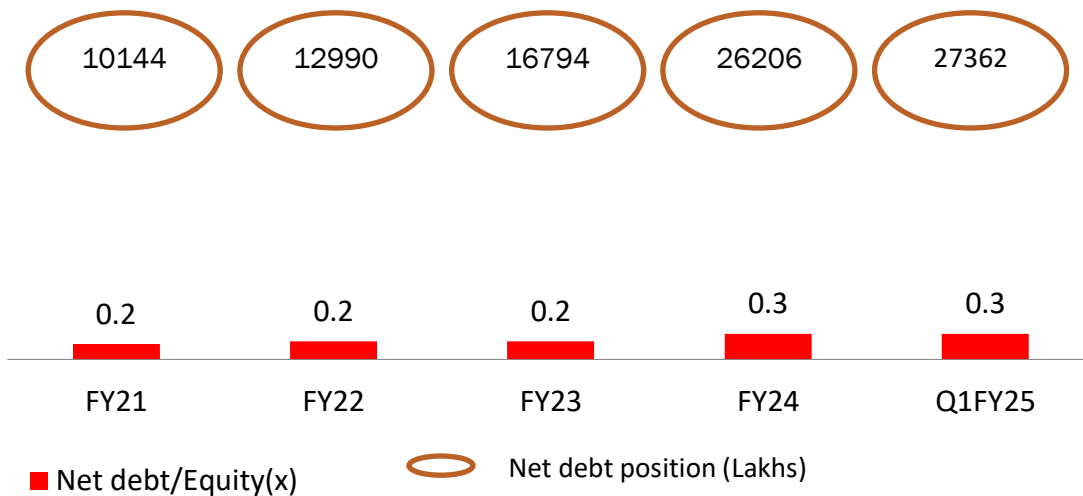
CAPEX incurred in Q1FY25 is Rs. 4963.25 lakhs.

Long term ICRA Credit Rating maintained at A+(positive)

Recipient of '**Logistics Champion**' award by ISCM Logistics Ranking-2024

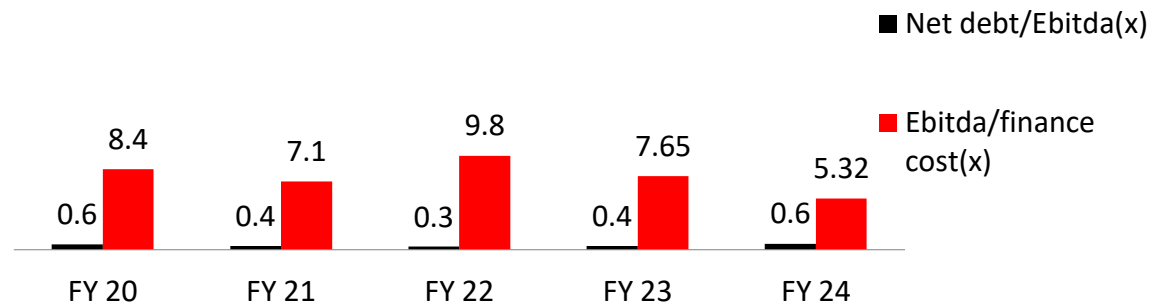
LEVERAGE METRICS

Net Debt to Equity



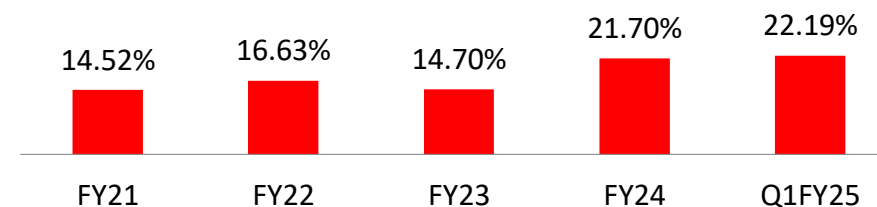
Note : Debt for the above purpose includes non-current borrowings, current borrowings and current maturities of non current borrowings and Interest accrued but not due on borrowings, net of cash and cash equivalents

Leverage metrics

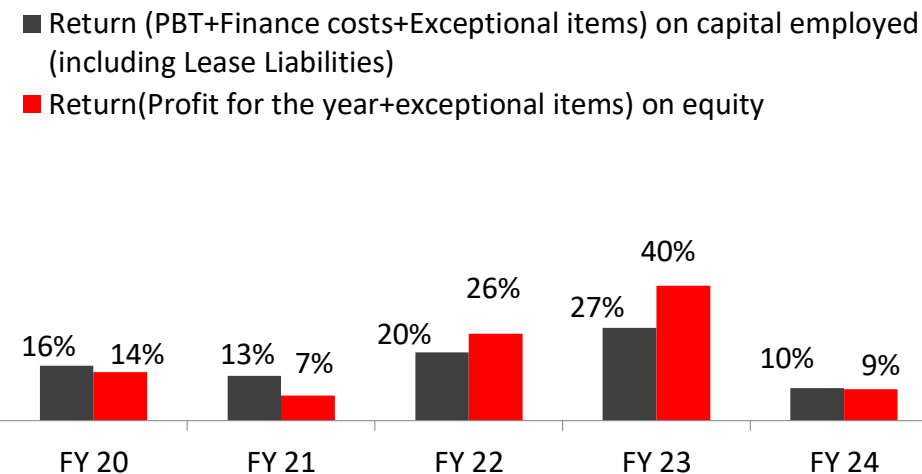


Note : EBITDA is considered only for continued ops, from FY23 onwards.

Gearing Ratio



Return metrics





Focus solely on core competency- Goods Transportation Business

Focus on increasing Geographic presence of in hitherto untapped markets

Priority to Volume Growth. Increase in Freight Rates as & when required

Planned fleet addition in line with growth in Tonnage

THANK YOU

For further discussions or queries, Please contact

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cfo@vrllogistics.com