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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 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 & COMPLIANCE OFFICER**



Date: 02.02.2022

Place: Hubballi



# VRL Financial Results - Q3 2021-22

## Earnings Presentation

February 02, 2022



**VRL LOGISTICS LTD**

[www.vrllogistics.com](http://www.vrllogistics.com)

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**A public listed company on NSE & BSE Exchange with a Market capitalization of INR 37.83 billion(as on 31<sup>st</sup> December, 2021)**

**Pre dominantly parcel delivery service provider (~90% of total Revenue for FY21) with pan-India last mile connectivity**

**Operating through a fleet of 4706 owned Goods transport vehicles complemented by third party hired vehicles on need basis**

**Integrated hub-and-spoke operating model which enables proper aggregation of parcels from a diversified customer base across multiple industries and locations**

**Diverse customer base of Corporate, SMEs and traders with focus on B2B services**

**Extensive pan India network with presence across 23 states & 4 union territories in 929 locations ensuring last mile delivery, even in remote locations**

**State - of - the - art vehicle maintenance facilities with performance enhancing technological innovations**

**Own fuel stations at key locations and tie up with IOCL**

**Dedicated In-house software with own servers and real time data for analysis and MIS**

**Passenger transportation through 288 owned buses of various makes**





## Key Differentiators

- India – 73% 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 4706 GT vehicles → Efficient operations with largest fleet and minimal outsourcing of transportation
- ❖ Distribution Network → Robust pan India network across 23 states, 4 union territories, having 929 branches, including 46 massive transshipment hub facilities. Diverse presence helps in greater stability during regional disturbances
- ❖ Vehicles Specially Designed by OEM`s / in-house → Ensures Higher Payload and better services
- ❖ Owned Vehicle operations and maintenance → Entry Barrier



## Key Differentiators

- ❖ More than 52% vehicles Fully Depreciated → Lower Costs
- ❖ More than 90% vehicles Debt Free → No Associated finance costs
- ❖ Financial performance & position → Track record of growth and robust financial position
- ❖ EBITDA Margins → **@19.6% (Q3FY22) – Highest in the industry**
- ❖ 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 leading to better negotiations
- ❖ Addition of Electric vehicles → Moving toward new age vehicles, 19 EV added in 9m FY22

## ❖ **Most efficient collection mechanism**

- Annual bad debt less than Rs.5 lakh on ~Rs.2,000 Cr. Revenue.
- Hardly any collectible more than 90 days.
- Robust cash management service (CMS) setup with negligible CMS charges.

❖ Procurement of diesel directly from Refineries by establishing own fuel pumps in key locations to optimize the fuel cost which is major portion of our operating costs.

## ❖ **Wide range of Customers**

- Not dependent on any single customer or any single product. Regional disturbances have a minimal effect

## ❖ **Own workshop, Own fittings, Own Body Building, Own Design , Own Vehicles**

- Lowest cost Operator, Higher Payloads, Enhanced service quality, Lower maintenance costs

## ❖ **Double digit business volume growth.**

## ❖ **Much lower Debt Level – INR 102 Crs.**

- Least cash burnout for servicing and repayment

## ❖ **Consistent margin growth in core GT segment, driven by freight volume and better realisation**

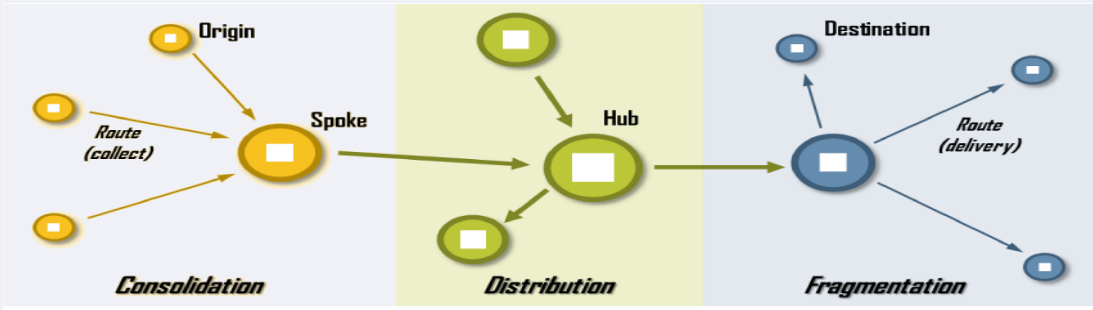
## ❖ **PROACTIVELY preparing for Scrapping policy**

- VRL has 1159 vehicles > 15 years, as of December 31, 2021 with a total capacity of 11344 tons, whereas VRL added 11194 tons capacity from 2019 onwards.



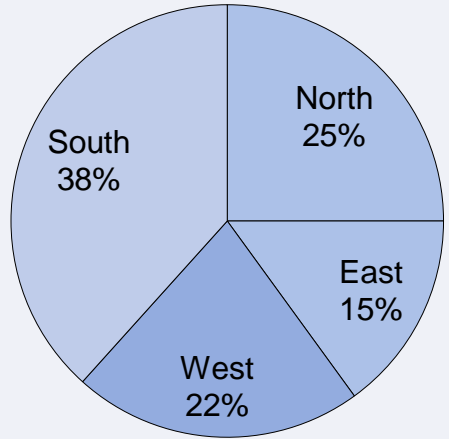


# Booking & Distribution Network



Hub-and-Spoke model to aggregate small parcels and maximize capacity utilization of its vehicles

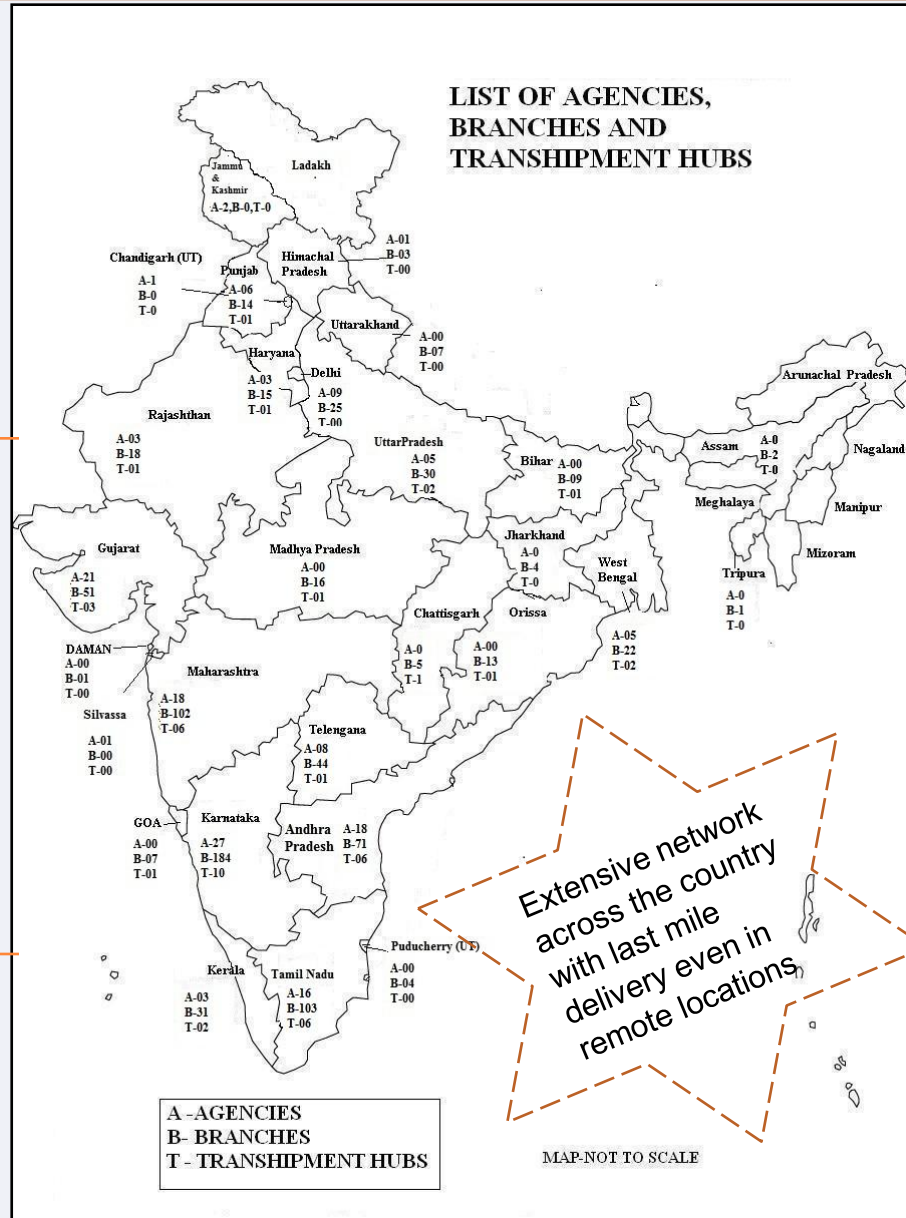
## Percentagewise New Branches added in 9M-2021-22



Focus on increasing presence in the North and Eastern Zones leads to 40% new branches addition in the North & Eastern Zones in 9MFY2021-22

## Market Leader in LTL segment

- Operations : 23 States, 4 Union Territories.
- 736 Branches
- 147 Agencies
- 46 Strategically placed Hubs



Extensive network across the country with last mile delivery even in remote locations

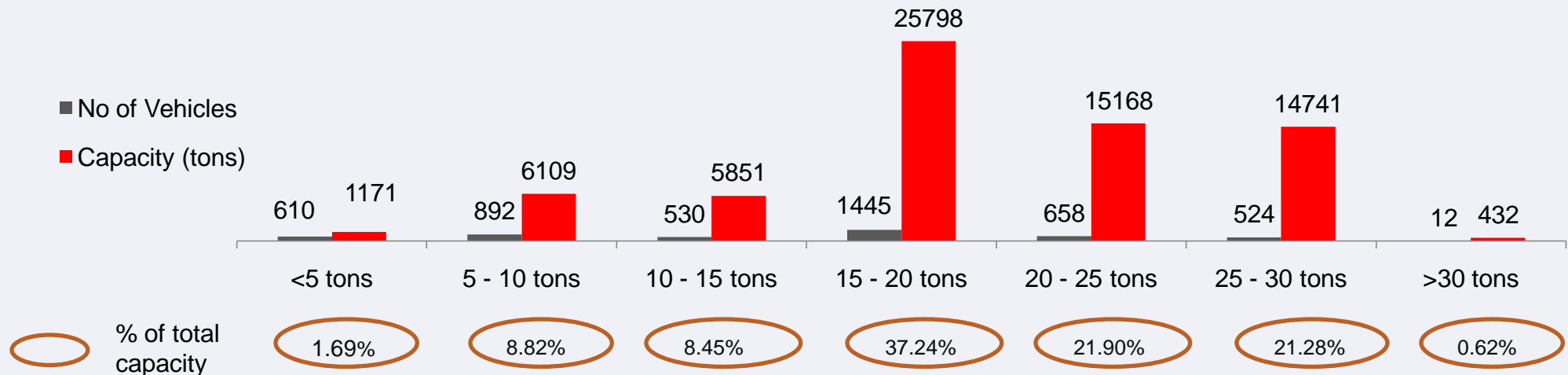
Efficient operations with largest fleet and a robust pan India network in 929 locations



| Own Vehicle Numbers |                   |                      |                    |                 |                           |            |            |                      |       |             |
|---------------------|-------------------|----------------------|--------------------|-----------------|---------------------------|------------|------------|----------------------|-------|-------------|
| As of               | Upto 2.5 tons (a) | 2.5 tons to 7.5 tons | 7.5 tons and above | Car Carrier (1) | Available Capacity (tons) | Tanker (2) | Cranes (3) | Total Vehicles Owned | BUSES | TOTAL FLEET |
| 31-Mar-18           | 150               | 960                  | 2765               | 102             | 52954                     | 17         | 13         | 4007                 | 396   | 4403        |
| 31-Mar-19           | 257               | 1009                 | 3004               | 102             | 64776                     | 13         | 13         | 4398                 | 381   | 4779        |
| 31-Mar-20           | 312               | 981                  | 3428               | 0               | 70012                     | 20         | 13         | 4754                 | 337   | 5091        |
| 31-Mar-21           | 311               | 942                  | 3289               | 0               | 68107                     | 20         | 13         | 4575                 | 291   | 4866        |
| 31-Dec 21           | 361               | 938                  | 3372               | 0               | 69270                     | 22         | 13         | 4706                 | 288   | 4994        |

Note: (a) – this category consists of electric vehicles. (1) Used for transportation of automobiles, converted to HGV's from 2020. (2) Used for transportation of liquid (3) Cranes are predominantly used for internal operations.

## Capacity Breakup as on Dec 31, 2021



## Goods transportation fleet

|   |   |
|---|---|
| 4706 owned vehicles as on December 31, 2021                         | 4252 (90%) debt free vehicles   |
| Wide range of vehicles with carrying capacity from 1 ton to 36 tons | 2426 (52%) of vehicles are fully depreciated and operating in optimal condition |

## Bus Operations fleet

288 owned vehicles as on December 31, 2021

288 (100%) vehicles are debt free

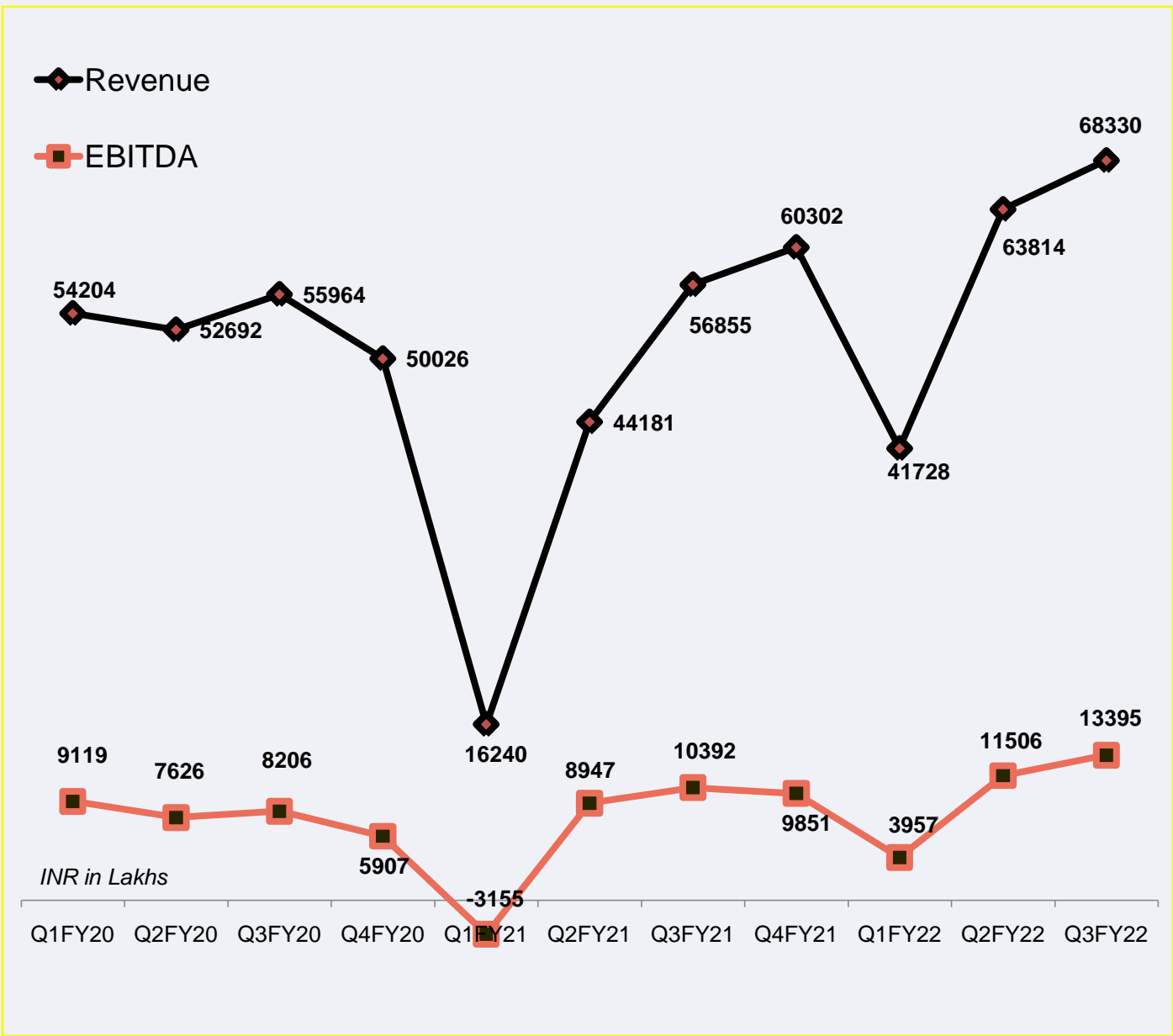
## Significance of own vehicles

- Enables us to significantly control operational costs
- Higher payload per vehicle for LTL consignments
- Enables us to cover a large number of routes and reduce dependence on third party hired vehicles
- Enables better control and time bound delivery, thereby enhancing service quality
- Bus Operations: Owned vehicles enable us to provide safe and on time travel experience

**Total of 4994 owned vehicles provides greater advantage in terms of pricing and service**

- 1) The above Statement of Unaudited Financial Results ("Financial Results") for the quarter and nine months ended 31 December 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 2 February 2022, and have been subjected to a limited review by the Statutory Auditors of the Company. These Financial Results are prepared and published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.
  
- 2) These Financial Results are prepared in accordance with the Indian Accounting Standard 34 'Interim Financial Reporting' (Ind AS) 34, as prescribed under Section 133 of the Companies Act, 2013, ("the Act") read with the relevant Rules issued thereunder and other accounting principles generally accepted in India.
  
- 3) The Segment Information for the quarter and nine months ended 31 December 2021 form an integral part of the Financial Results.
  
- 4) The Board of Directors has declared an interim dividend of Rs.8 per equity share (face value of Rs. 10/- each).
  
- 5) Previous period figures have been regrouped / restated wherever considered necessary to conform to the current period classification.

| <b>Consolidated<br/>(INR in Lakhs)</b> | <b>Q3 FY22<br/>(Unaudited)</b> | <b>Q2 FY22<br/>(Unaudited)</b> | <b>Q3 FY21<br/>(Unaudited)</b> | <b>9M FY22<br/>(Unaudited)</b> | <b>9M FY21<br/>(Unaudited)</b> | <b>FY21<br/>(Audited)</b> |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------|
| TOTAL INCOME                           | 68329.76                       | 63813.76                       | 56855.46                       | 173871.62                      | 117276.60                      | 177578.73                 |
| EBITDA                                 | 13394.56                       | 11506.06                       | 10392.47                       | 28857.19                       | 16184.22                       | 26035.04                  |
| EBITDA Margins(%)                      | 19.60%                         | 18.03%                         | 18.28%                         | 16.60%                         | 13.80%                         | 14.66%                    |
| EBIT                                   | 8951.14                        | 7549.49                        | 6285.65                        | 16688.91                       | 4009.17                        | 10056.03                  |
| EBIT Margins(%)                        | 13.10%                         | 11.83%                         | 11.06%                         | 9.60%                          | 3.42%                          | 5.66%                     |
| PBT                                    | 7773.58                        | 6568.45                        | 5453.47                        | 13580.20                       | 1242.91                        | 6374.07                   |
| PBT Margins(%)                         | 11.38%                         | 10.29%                         | 9.59%                          | 7.81%                          | 1.06%                          | 3.59%                     |
| PAT (excludes<br>comprehensive income) | 6048.80                        | 4947.80                        | 3973.77                        | 10392.42                       | 790.35                         | 4506.79                   |
| PAT Margins(%)                         | 8.85%                          | 7.75%                          | 6.99%                          | 5.98%                          | 0.67%                          | 2.54%                     |



Q3FY2021-22 records the highest ever revenue @ 683 crores, up by 20.18% YOY, and 7.08% QoQ

Q3FY2021-22 EBITDA @ 134 crores and Margins @ 19.6%, amongst the best in the industry

9MFY2021-22 EBITDA @ 289 crores and Margins @ 16.6%, amongst the best in the industry



# Segment Performance – Q3 FY2021-22

## Goods Transport

| INR in lakhs         | Q3 FY2021-22 | Q2 FY2021-22 | Q3 FY2020-21 | 9M FY2021-22 | 9M FY2020-21 | FY2020-21 |
|----------------------|--------------|--------------|--------------|--------------|--------------|-----------|
| Revenue              | 59611.71     | 56881.55     | 50100.82     | 154975.85    | 105696.82    | 159275.00 |
| EBITDA (After IndAS) | 12797.87     | 10978.64     | 10314.71     | 28082.77     | 16285.86     | 26643.13  |
| EBITDA Margin        | 21.47%       | 19.30%       | 20.59%       | 18.12%       | 15.41%       | 16.73%    |

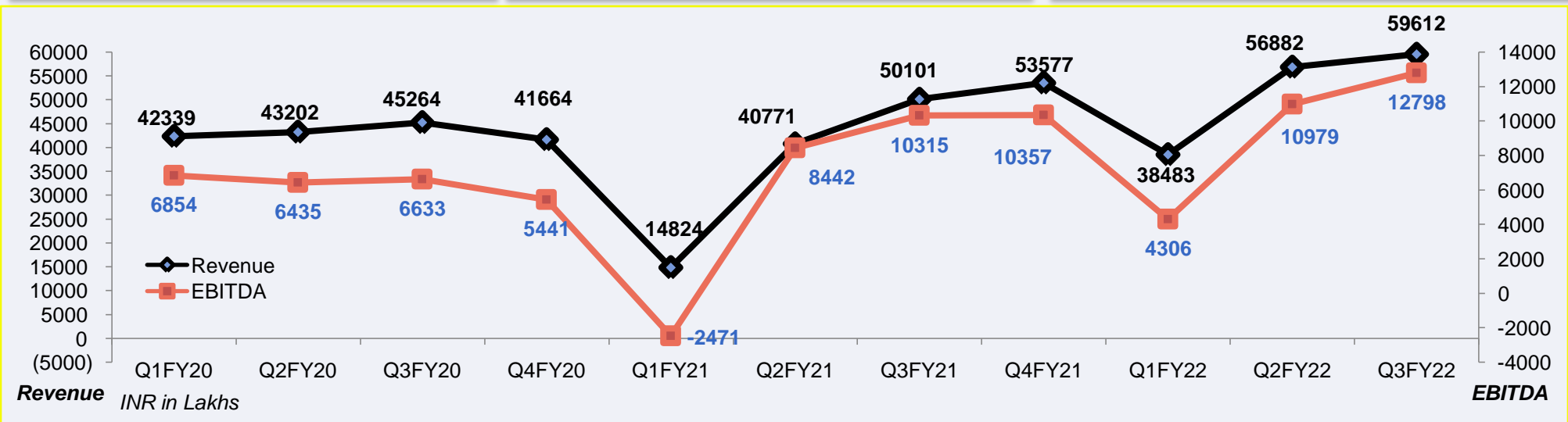
- Increase in volume and better realisations leads to higher EBITDA margins
- Geographical Expansion
- Business shift from unorganised to organised fleet operators due to GST & E-way Bill reforms
- Operational Efficiencies
- Increase in sector wise revenue contribution

Note: Quarter and 9M results are unaudited, FY2020-21 – audited, , All amount in lakhs

Q3FY2021-22 records the highest ever revenue @ 596 crores , up by 18.98% YOY, and 4.8% QoQ

Q3FY2021-22 EBITDA @ 128 crores and Margins @21.47%, amongst the best in the industry

9MFY2021-22 EBITDA @ 281 crores and Margins @ 18.12%, amongst the best in the industry







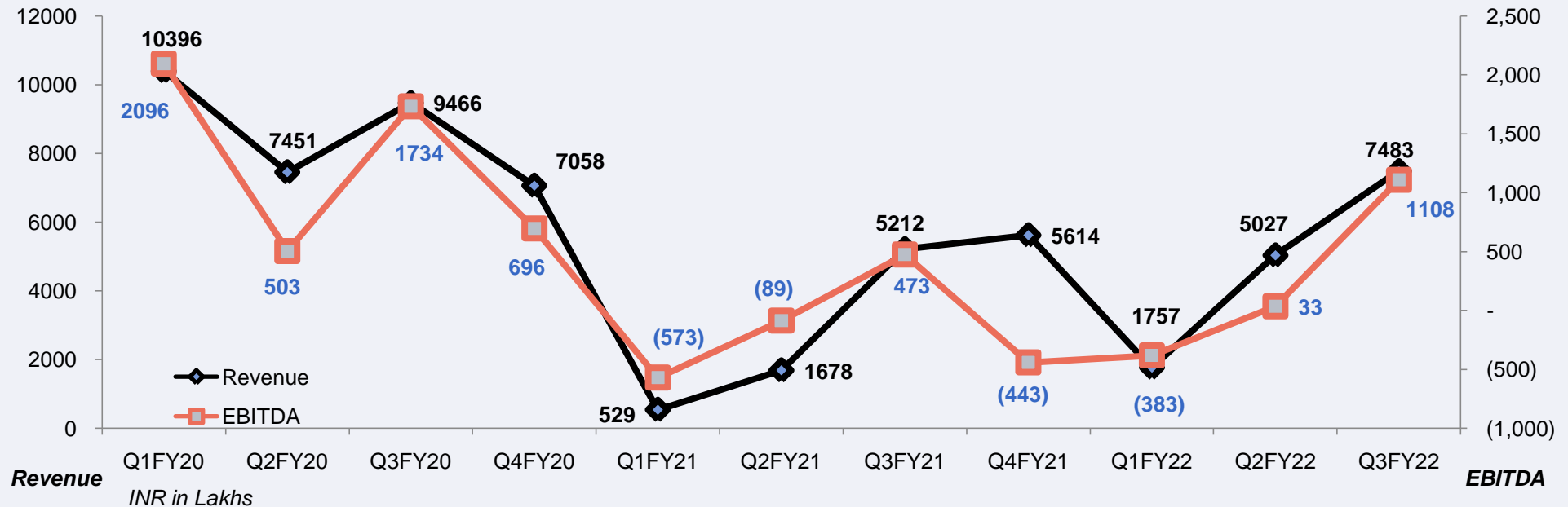
# Segment Performance – Q3 FY2021-22

## Bus operations

| INR in lakhs         | Q3 FY2021-22 | Q2 FY2021-22 | Q3 FY2020-21 | 9M FY2021-22 | 9M FY2020-21 | FY2020-21 |
|----------------------|--------------|--------------|--------------|--------------|--------------|-----------|
| Revenue              | 7483.40      | 5026.65      | 5211.53      | 14266.88     | 7419.13      | 13033.56  |
| EBITDA (After IndAS) | 1107.73      | 32.67        | 472.87       | 757.16       | (188.75)     | (575.48)  |
| EBITDA Margin        | 14.80%       | 0.65%        | 9.07%        | 5.31%        | (2.54%)      | (4.42%)   |

- Bus operations turn EBITDA positive
- Increase in number of passengers travelled
- Higher Realisations
- Operational Efficiency

**Note:** Quarter and 9M results are unaudited, FY2020-21 – audited, All amount in lakhs



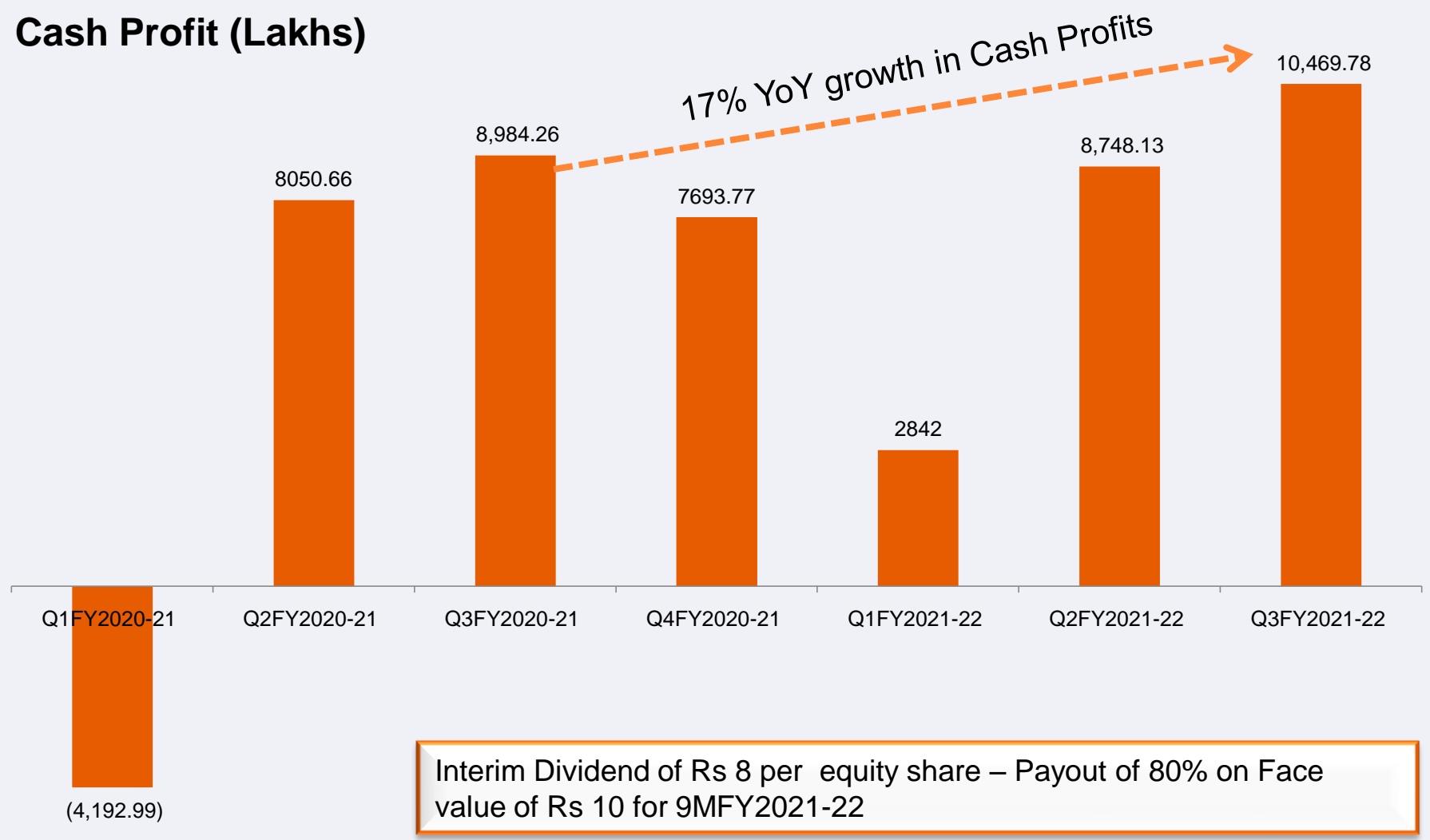


| (INR in lakhs)            | Sale of Power             |                           |                           |                           |                           |                         |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
|                           | Quarter ended             |                           |                           | Nine Months ended         |                           | Year ended              |
|                           | 31.12.2021<br>(Unaudited) | 30.09.2021<br>(Unaudited) | 31.12.2020<br>(Unaudited) | 31.12.2021<br>(Unaudited) | 31.12.2020<br>(Unaudited) | 31.03.2021<br>(Audited) |
| Revenue                   | 210.07                    | 857.92                    | 313.26                    | 1622.26                   | 1548.3                    | 1757.44                 |
| EBITDA - After Ind As 116 | 41.33                     | 690.17                    | 147.86                    | 1120.16                   | 1108.07                   | 1159.03                 |
| EBITDA Margin(%)          | 19.67%                    | 80.45%                    | 47.20%                    | 69.05%                    | 71.57%                    | 65.95%                  |
| EBIT- After Ind AS 116    | (230.38)                  | 419.25                    | (115.29)                  | 307.99                    | 305.83                    | 80.83                   |
| EBIT Margin(%)            | (109.67%)                 | 48.87%                    | (36.80%)                  | 18.99%                    | 19.75%                    | 4.60%                   |

| (INR in lakhs)            | Transport of Passengers by Air |                           |                           |                           |                           |                         |
|---------------------------|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
|                           | Quarter ended                  |                           |                           | Nine Months ended         |                           | Year ended              |
|                           | 31.12.2021<br>(Unaudited)      | 30.09.2021<br>(Unaudited) | 31.12.2020<br>(Unaudited) | 31.12.2021<br>(Unaudited) | 31.12.2020<br>(Unaudited) | 31.03.2021<br>(Audited) |
| Revenue                   | 162.96                         | 371.28                    | 403.56                    | 884.57                    | 888.36                    | 1182.37                 |
| EBITDA - After Ind As 116 | (159.86)                       | 97.61                     | (260.74)                  | (103.25)                  | (265.42)                  | (270.68)                |
| EBITDA Margin(%)          | (98.10%)                       | 26.29%                    | (64.61%)                  | (11.67%)                  | (29.88%)                  | (22.89%)                |
| EBIT- After Ind AS 116    | (203.26)                       | 42.95                     | (317.70)                  | (255.81)                  | (411.95)                  | (453.20)                |
| EBIT Margin(%)            | (124.73%)                      | 11.57%                    | (78.72%)                  | (28.92%)                  | (46.37%)                  | (38.33%)                |

- Addition of 29 new branches in Q3FY22 and overall 60 new branches in 9MFY22. Planning to expand network by opening new branches in untapped market.
- Number of GT Vehicles increased from 4575 in FY2020-21 to 4706 vehicles in 9MFY2021-22. Total of 246 GT Vehicles were added in 9MFY2021-22.(Q1FY22- 54 vehicles, Q2FY22- 138 vehicles, Q3FY22- 54 vehicles- Total 246 GT vehicles). Number of Vehicles Sold/scrapped – 115 GT Vehicles. Net vehicle addition is 131 GT vehicles.
- Focus on expanding network of own fuel stations and fuel storage capacity at key locations thereby reducing the impact of rising fuel costs and improve profitability margin.
- Procurement of Bio-fuel @ 8.01% of total quantity in 9MFY22, decreased by 24.78% as compared to 32.79% in 9MFY21. (Q1FY22- 13.49% of total quantity, Q2FY22– 10.55% of total quantity, 1.95% in Q3 FY22)
- 19 electric vehicles added during 9MFY22.
- Bus Operations turns EBITDA positive on the back of increased occupancy and realisations.
- Enabled All India Permit for Buses from 01.4.2021
- The ICRA Debt rating is reaffirmed as A+(stable)
- Net debt increased from Rs 10144.31 lakhs as on Mar 31, 2021 to Rs 10154.57 lakhs as on December 31, 2021
- Interim Dividend of Rs 8 per equity share

### Cash Profit (Lakhs)

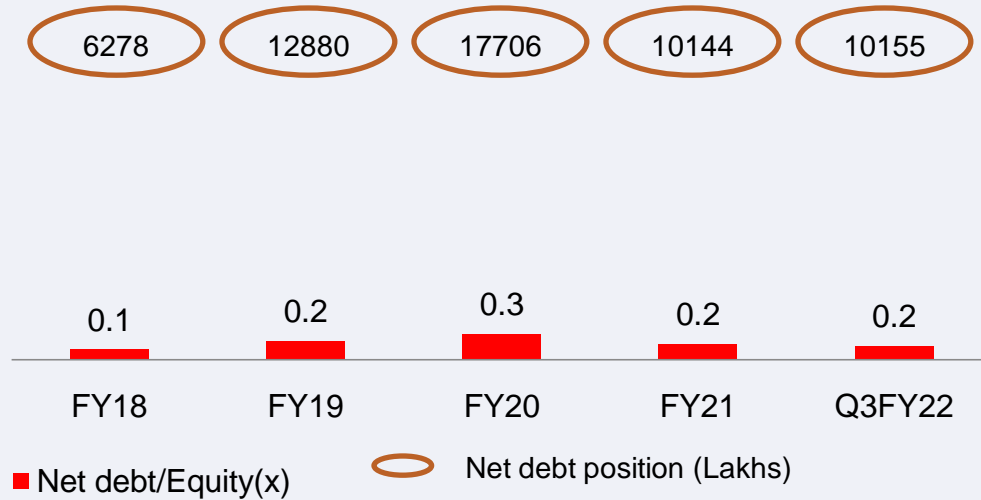


Cash profit calculation : PAT+DTL+Depreciation



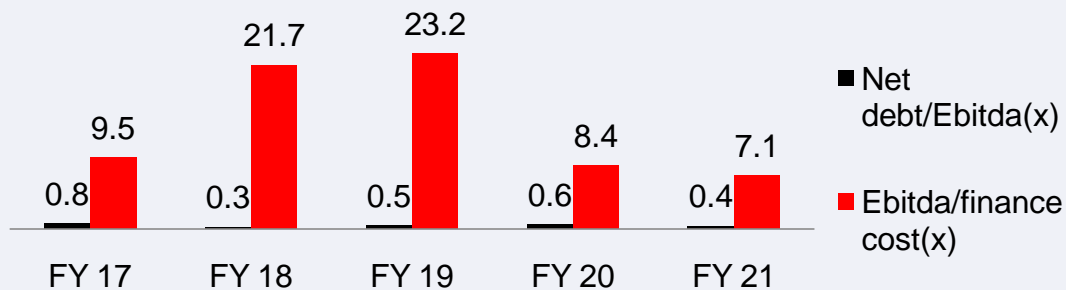
# Leverage Metrics

## Net Debt to Equity

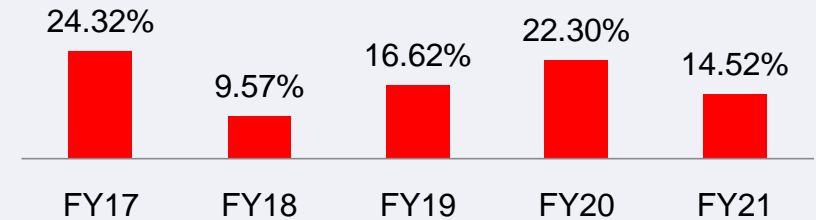


Note : Debt for the above purpose includes non-current borrowings, current borrowings and current maturities of non current borrowings and Interest accrued but not due on borrowings.

## Leverage metrics

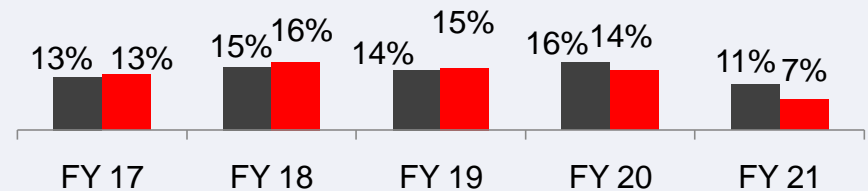


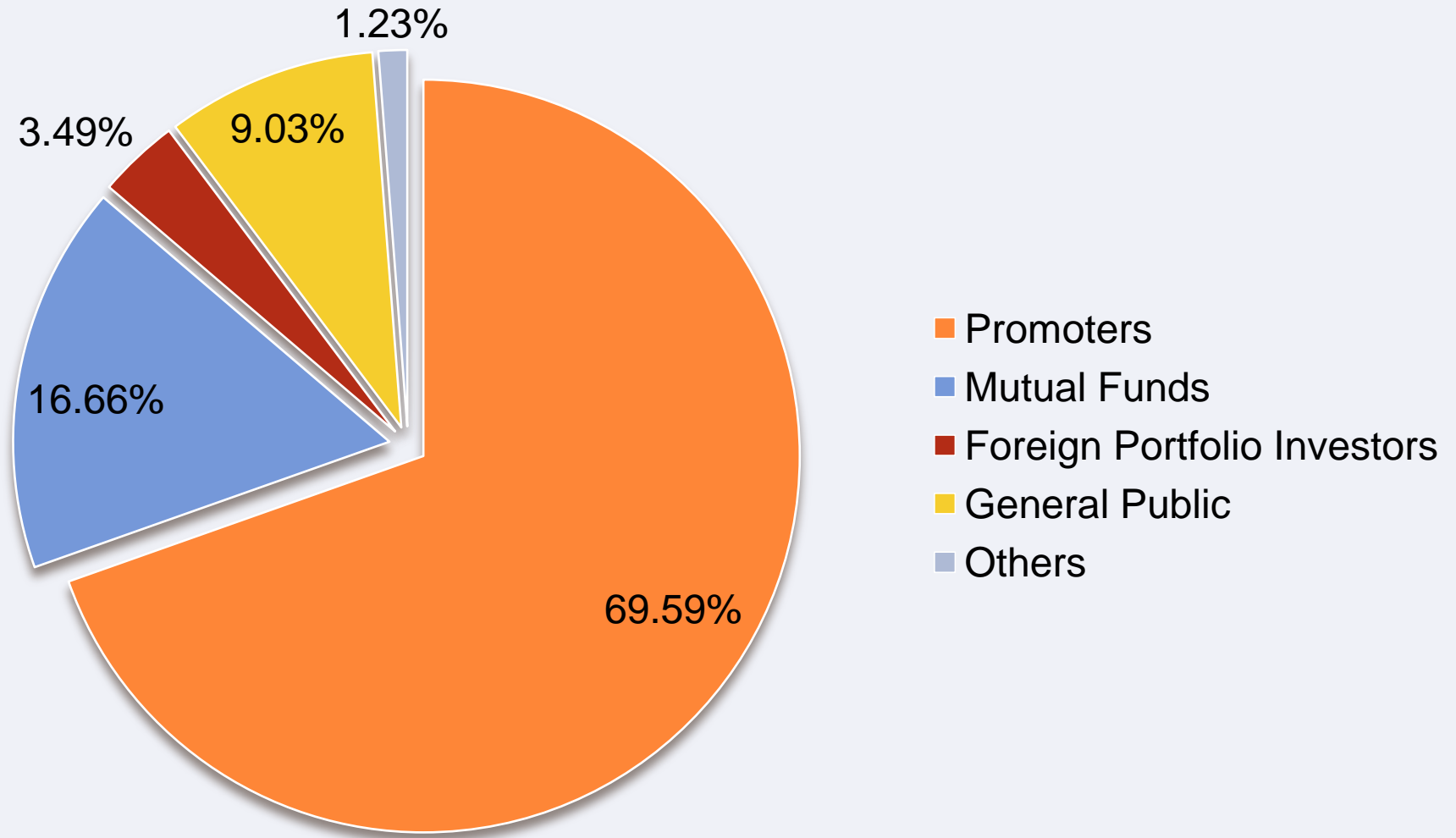
## Gearing Ratio



## Return metrics

- Return (Profit for the year+Finance costs) on Average capital employed
- Return(Profit for the year) on average equity









**For further discussions/queries please contact :**

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