

Corporate Office:

Giriraj Annexe Circuit House Road
HUBBALLI- 580 029 Karnataka State
Phone : 0836- 2237511
Fax : 0836 2256612
e-mail : headoffice@vrllogistics.com

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
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: Purchase of Land & Building together with existing structures at Bengaluru – Intimation under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Pursuant to Regulation 30 read with Schedule III of the SEBI Listing Regulations, we wish to inform that the Board of Directors of the Company at their meeting held on Saturday, 23rd November, 2024 (04/2024-25), had approved the proposal for the purchase of the existing Transshipment Hub occupied by the Company on Lease basis at Bengaluru. The said premises comprises of Land bearing Property No:150300700300200518, Sy No. 97/1 and 100/1A1 measuring an aggregate area of 27.30 Acre situated at Billanakote Village, Kuluvanahalli Grampanchayat, Somapura Hobli, Nelamangala Taluk, Bengaluru Rural District, Bengaluru, Karnataka (“Property”). The constructed structures thereon comprise of a Godown measuring approximately 5 lakh sq.ft. as also other amenities such as Canteen Building, STP, Fuel Pump, Weigh Bridge, etc. apart from workshop and ample vehicle parking space.

The Company has been in possession of the said premise on lease basis since over 10 years and has been using the said property for its transshipment operations at Bengaluru.

The relevant details with respect to the above purchase as prescribed under the SEBI Listing Regulations read with SEBI circular SEBI/HO/CFD/CFD-PoD1/P/ CIR/ 2023/123 dated 13th July, 2023 are enclosed as **Annexure A**. This intimation shall also be considered as compliance with Para 5 of Part B of Schedule III of the SEBI Listing Regulations.

The Absolute Sale Deed in respect of the said property was executed today at Bengaluru.

This intimation is also available on the website of the Company at www.vrlgroup.in

This is for your information and record.

For VRL LOGISTICS LIMITED

ANIRUDDHA PHADNAVIS
COMPANY SECRETARY & COMPLIANCE OFFICER
Place: Hubballi
Date: 07.12.2024



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Annexure A

Details under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular SEBI/HO/CFD/CFD-PoD1/P/CIR/2023/123 dated 13th July, 2023

SL. NO.	ITEMS FOR DISCLOSURE	DESCRIPTION
1	Name of the Party/(ies) with whom the agreement is entered	Seller: Mr. Neelakanta Naidu, Buyer: VRL Logistics Limited. Agreement Type: Absolute Sale Deed.
2	Purpose of entering into the agreement; (Rationale)	<p>Purchase of the transshipment hub occupied by us on lease basis from the existing owner.</p> <p>Rationale: The Company is operating its transshipment hub at Bengaluru in the said premises for more than a decade. Critical consignment routing activities such as aggregation of bookings, storage, destination sorting, vehicle placement etc. are undertaken here on a 24 x 7 x 365 basis.</p> <p>Over the years, we have made significant investments such as Fueling Station, Weigh Bridge, Solar installation, floor strengthening etc. The Management is of the opinion that Purchase of the said property would be beneficial for its operations in the long run.</p> <p>The said hub is critical to the Company's South India operations and the owner sought to dispose off the said property given his old age and perceived inability to monitor it going ahead. The availability of the said premises is critical to our operations and owning it would ensure the continued availability for the Company's purposes. On an average around 3000 tons gets handled at this transshipment hub daily, which is amply demonstrative of the importance of this hub within our overall South India operations.</p> <p>The said property comprises of Land bearing Property No:150300700300200518, Sy No. 97/1 and 100/1A1 measuring an aggregate area of 27.30 Acre situated at the Property on which the hub occupies</p>

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Website: www.vrllogistics.com CIN: L60210KA1983PLC005247 GSTIN (KAR): 29AABCV3609C1ZJ

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		<p>an area of around 5 lakh sq.ft. There is room for scaling up the hub capacity. Along with the same all other related utility aspects such as fuel pump, weigh bridge, canteen, etc. have been constructed with significant financial outlay over the years.</p> <p>Some of the tangible benefits of ownership of the said premises are summarized in the below points –</p> <ul style="list-style-type: none"> - Savings in lease rentals – Presently we are paying a monthly lease rent of Rs.1.31 crore including GST. Thereby the annual savings would translate to Rs.15.72 crores (Being a Goods Transport Agency Service provider under Reverse Charge Mechanism @5% of GST rate we do not take input credit of GST and GST is completely expensed by us). We would also save upon the potential lease rental enhancements that become imminent under a lease arrangement going ahead. - Continued availability of the premises given that the owner seeks to dispose it off and uncertainty over a third-party acquirer consenting to continue our existing arrangement on lease basis for a long term. - Due recovery of our investments made over the years in useful amenities such as Fueling station, weigh bridge, solar installation, STP etc. - A readymade setup for our Satellite workshop which can now be scaled up and fitted with requisite advanced vehicle maintenance infrastructure given that we would own it thereby reducing pressure on the centralized Hubballi workshop. - A part of the said premises has also been let out to a third entity by the Seller which entails a present-day monthly rental income of Rs.0.12 crore per month (Rs.1.49 crore annually) which would henceforth be accruing to us. We would also have the option of making the said entity vacate thereby providing us with an immediate additional area of around 64,000 sq.ft. of hub
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	<p>area.</p> <ul style="list-style-type: none">- Hub scalability by investing in infrastructure enabling vertical stacking, installation of mechanized material handling technologies and other initiatives to improve operational efficiency.- The corresponding values of RoU Asset and corresponding Liability thereagainst accounted in the books of accounts as mandated under in AS-116 would stand reduced. <p>Apart from the above, ownership of the land and structures will provide the Company with greater control and flexibility in managing and upgrading the facilities, ensuring operational continuity without dependence on external lease arrangements.</p> <p>The size and location of the property make it ideal for future expansion plans to support the Company's growth objectives. This decision aligns with the Company's long-term strategic vision and commitment to optimizing operational efficiency while securing critical assets to support sustainable growth.</p> <p>The said hub is located right along the Mumbai – Bengaluru (NH-4 / AH 47) and offers unmatched connectivity to the southern states and is ideal from a surface logistics point of view connecting the Southern states to Western and Northern India. The said area is also located adjacent to the proposed Queen City township planned by the Government. The new Bengaluru airport being planned would also come up in the near vicinity of this facility. The Somapura Industrial Area and the upcoming Vasantnarasapura Industrial Areas are also located near the said facility.</p> <p>Also, if the Company were to purchase land and develop its own Transshipment hub of a similar size with present day facilities, it would end up spending much more than the transaction value. This effort would also entail a timeframe of anywhere between 2-3 years at the earliest.</p>
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3	Sale Consideration	The Company has incurred a total sum of Rs.229.30 Crores (Rupees two hundred twenty nine crores and thirty lakhs) inclusive of Stamp duty and Registration charges.
4	Date on which the agreement has been entered into	The Absolute Sale Deed was executed today, i.e. 07.12.2024, at the office of the Sub-Registrar, Nelamangala, Bengaluru.
5	Details of Land and Building	Property comprising of land and building together with existing structures comprising of Land bearing Property No:150300700300200518, Sy No. 97/1 and 100/1A1 measuring an aggregate area of 27.30 Acre situated at Billanakote Village, Kuluvanahalli Grampanchayat, Somapura Hobli, Nelamangala Taluk, Bengaluru Rural District, Bengaluru, Karnataka
5	Shareholding, if any, in the entity with whom the agreement is executed	Not Applicable
6	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	The title of the property described above has been conveyed to the Company by executing an Absolute Sale Deed duly registered with the office of the concerned Sub-registrar at Nelamangala, Bengaluru.
7	Brief details of the Seller-whether the said Seller is related to promoter/promoter group/group companies in any manner. If yes, nature of relationship;	The Seller is not related to Promoter / individual of the Promoter Group nor with any entity falling in the said category.
8	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	No
9	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Not Applicable

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10	In case of loan agreements, details of lender/borrower, nature of the loan, total amount of loan granted/taken, total amount outstanding, date of execution of the loan agreement/sanction letter, details of the security provided to the lenders / by the borrowers for such loan or in case outstanding loans lent to a party or borrowed from a party become material on a cumulative basis;	The said acquisition was funded by way of Internal Accruals as also a term loan taken from HDFC Bank, brief details whereof are summarized as under – Lender – HDFC Bank Nature of Loan – Term Loan Tenor – 10 years with a moratorium of one year. Loan Amount – Rs.185 crores Security Provided: Entire immovable property acquired at Billankote Village, Nelamangala Taluk, Bengaluru Rural District. Other Clauses – No personal guarantees, No pre-payment charges
11	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.;	Not Applicable
12	in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): i. name of parties to the agreement; ii. nature of the agreement; iii. date of execution of the agreement; iv. details of amendment and impact thereof or reasons of termination and impact thereof.	Not Applicable

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13	Source of Funding	The Company has availed term loan facility from HDFC Bank to the tune of Rs.185 crores and balance consideration out of internal accruals.
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You are requested to kindly take note of the same.

For VRL LOGISTICS LIMITED



ANIRUDDHA PHADNAVIS
COMPANY SECRETARY & COMPLIANCE OFFICER
Place: Hubballi
Date: 07.12.2024