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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 for the quarter ended 30th June 2023 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: 07.08.2023
Place: Hubballi

Q1 FY2023-24 Earnings presentation



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VRL – MARKET LEADER IN B2B PARCEL SEGMENT



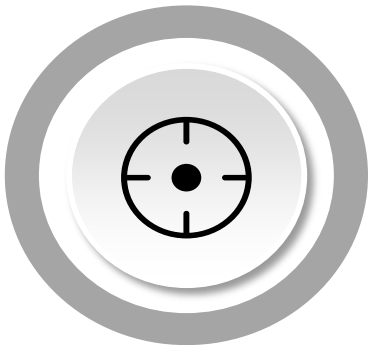
Only “Owned Asset” organised player in Less than Truckload logistics business in India



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



5628 OWNED
GOODS
TRANSPORT
VEHICLES

HIRED VEHICLES
ENGAGED ON
NEED BASIS

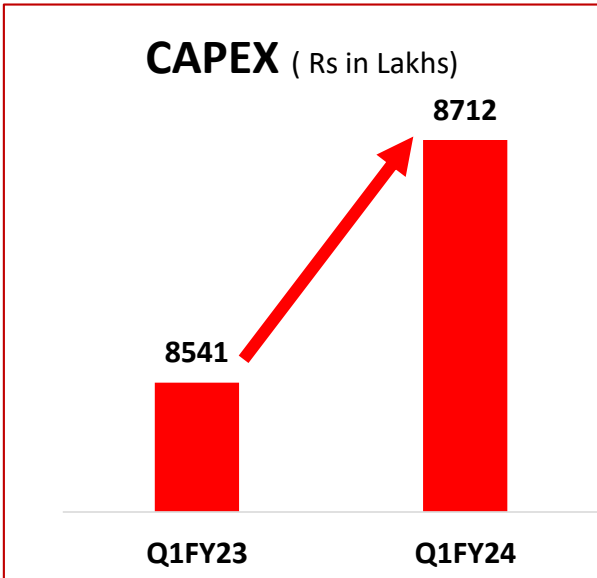
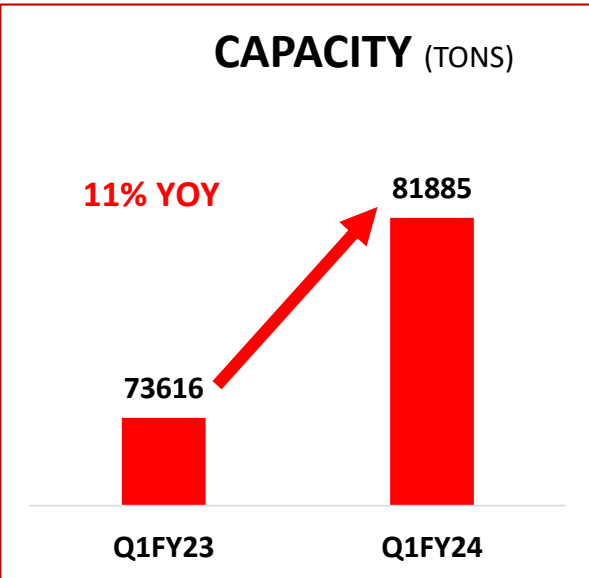
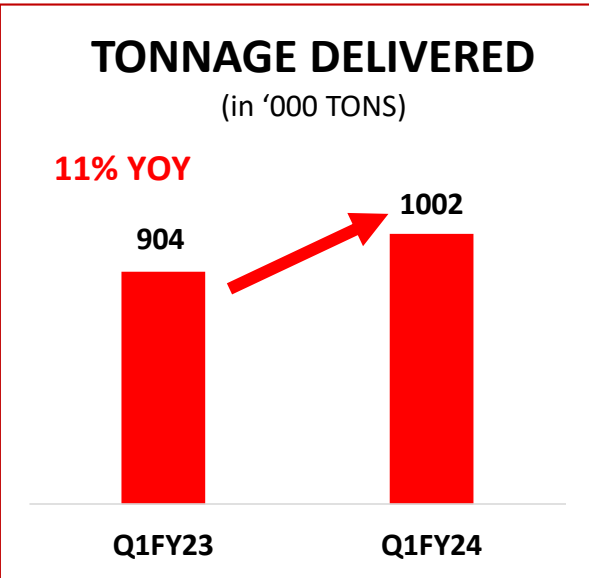
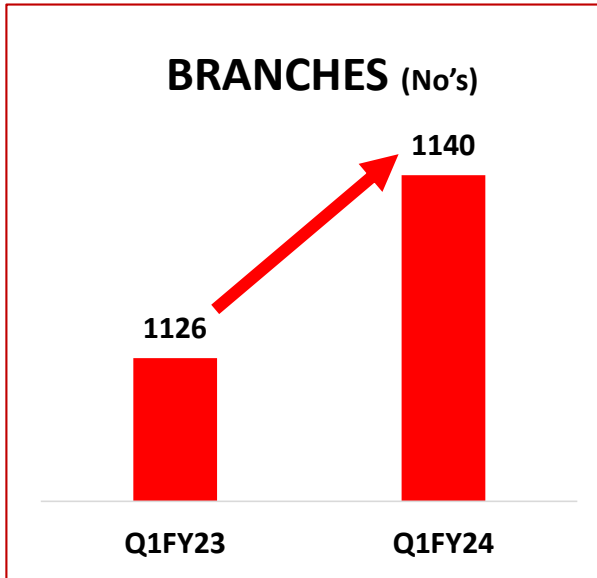
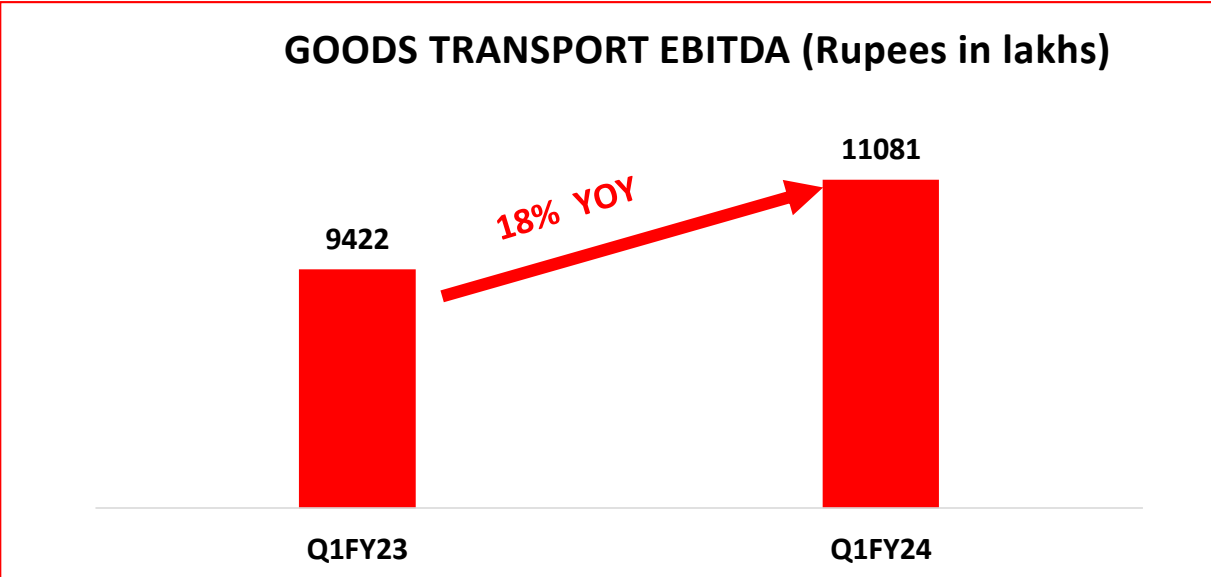
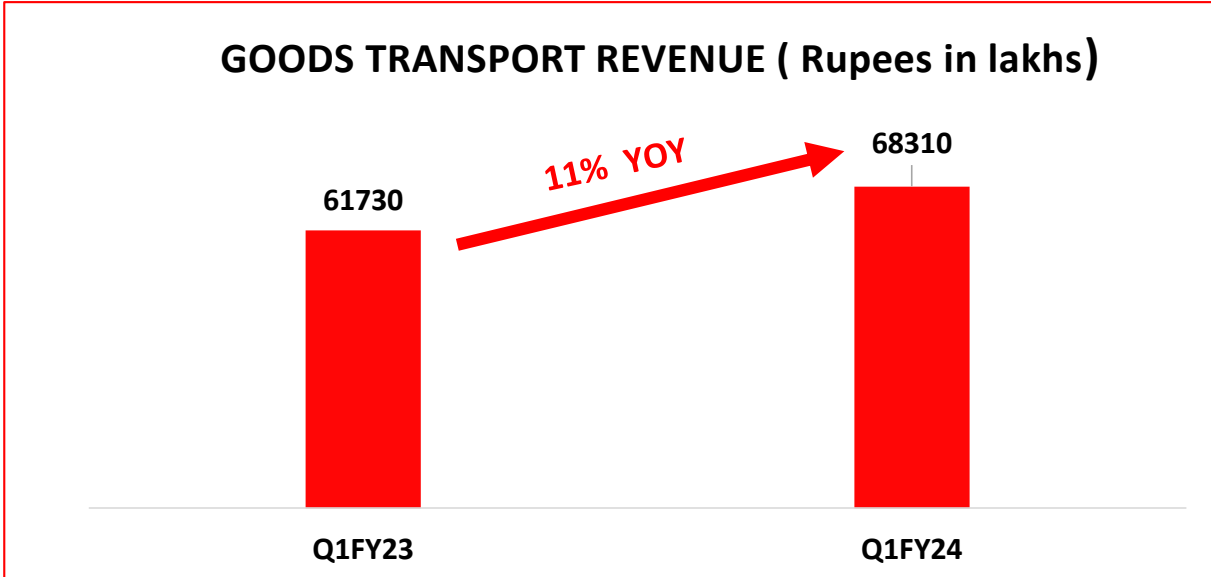
1140 GOODS
TRANSPORT
BRANCHES

49 MASSIVE
TRANSHIPMENT
HUBS

8 LAKH +
CUSTOMER BASE

20000+
WORKFORCE led by
experienced
management

KEY POINTS- YoY



FINANCIALS

Particulars (INR in Lakhs)	Q1		YoY	Q4	QoQ
	FY24	FY23	Growth (%)	FY23	Growth (%)
Total Income	68,310.05	61,729.74	11%	70,287.99	(3%)
Total Expenses	63,749.11	56,849.24	12%	64,265.66	(1%)
Profit Before Tax from Continuing Operations	4,560.94	4,880.50	(7%)	6,022.33	(24%)
Profit for the Period from Continuing Operations	3,394.53	3,646.90	(7%)	6,097.25	(44%)
Profit Before Tax from Discontinued Operations	-	1,725.85		-	
Exceptional Items	-	-		18,720.45	
Profit for the Period from Discontinued Operations (including Exceptional Items)	-	1,289.62		13,220.45	
Profit for the Period	3,394.53	4,936.52		19,317.70	

Note: 1. Wind Power Business operations discontinued from August 2022, 2. Bus Operations discontinued from January 2023

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 5628 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 1140 branches, including 49 massive transshipment hub facilities

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

→ Ensures Higher Payload

❖ Owned Vehicle operations, maintenance & Driver management barriers

→ Entry Barrier



VRL - KEY DIFFRENTIATORS

- ❖ ~31% vehicles Fully Depreciated → Lower Costs
- ❖ ~ 89% vehicles Debt Free → No Associated finance costs
- ❖ Financial performance & position → Track record of growth and robust financial position
- ❖ EBITDA Margins → @16% (Q1FY24) – Amongst the best 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
- ❖ Moving towards New Age Vehicles → Addition of Electric and CNG vehicles



Standalone Strengths

❖ Most efficient collection mechanism

- Annual bad debt(FY23) ~ Rs.30 lakhs on ~ Rs.2,600 Cr. Revenue.
- Hardly any collectible more than 90 days.
- Trade Receivables at 11 days of Total revenue in FY23

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

❖ Wide range of Customers

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

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

- Lowest cost Operator.

❖ Double digit business volume growth.

❖ Much lower Debt Level – **INR 194 Crs.**

- Least cash burnout for servicing and repayment.

❖ PROACTIVELY preparing for Scrapping policy with aggressive capex plan

- VRL has 981 vehicles > 15 years, as of JUNE 30, 2023 with a total capacity of 9990 tons

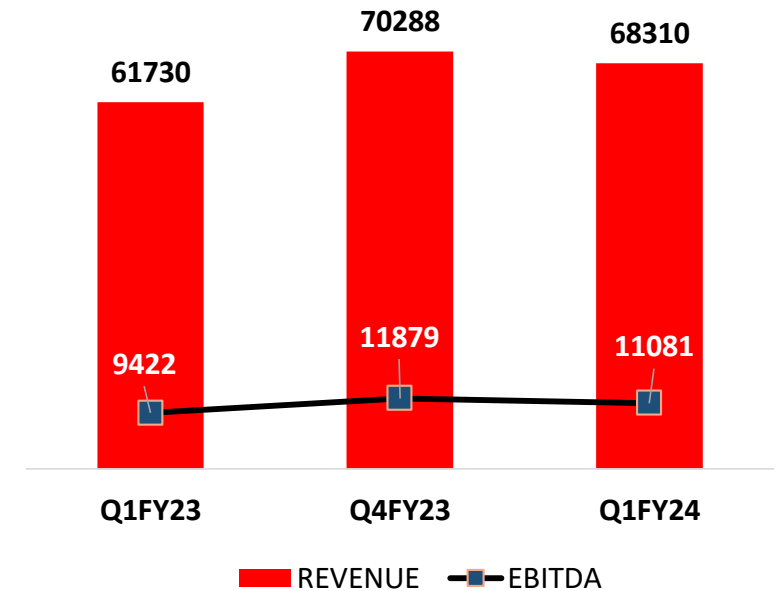
GOODS TRANSPORT (GT)

Rupees in Lakhs	Q1		YoY	Q4	QoQ
	FY24	FY23	Growth (%)	FY23	Growth (%)
Revenue	68310.05	61729.74	10.66%	70287.99	(2.81%)
EBITDA	11080.6	9422.19	17.60%	11878.6	(6.72%)
Margin (%)	16.22%	15.26%		16.90%	
EBIT	6188.23	6085.41	1.69%	7350.63	(15.81%)
Margin (%)	9.06%	9.86%		10.46%	
PBT	4560.94	4880.50	(6.55%)	6022.33	(24.27%)
Margin (%)	6.68%	7.91%		8.57%	
PAT	3394.53	3646.90	(6.92%)	6097.25	(44.33%)
Margin (%)	4.97%	5.91%		8.67%	

*GT revenue increases by **11% YOY***

*GT EBITDA increases by **18% YOY***

*GT EBITDA margins @ **16.22%***



GT PERFORMANCE

Revenue Analysis

- GT revenue increases by **11%** YoY and decreases **3%** QoQ
- Volumes up by 10.74% YoY from 904,000 tons to 1002,000 tons and down 2.80% QoQ from 1031,000 tons to 1002,000 tons. .
- Realisation per Ton decreases by 0.63% YoY from Rs 6691.44 to Rs.6649.53 and by 0.07% from Rs 6654.47 to Rs.6649.53. Competitive rates offered on Routes connected with New Branches.
- 21 new Branches added in Q1FY24 enhanced VRL Logistics presence in hitherto untapped markets. Focus on Volume Growth is going to continue by Expansion of Branch Network.
- Branches added in FY 2022-23 & Q1 FY24 contributed ~ 6% in Booking and 8% in Delivery in Q1FY24 (LTL Tonnage).
- Continued shift of Customer base to VRL from unorganized sector as a result of increase in compliance requirements under GST.

CONTINUED OPERATIONS - GOODS TRANSPORT (GT)

Details of Unallocable segment Revenue/Expenses in earlier quarters are now a part of continued operations

Rupees in Lakhs	Q1		Q4	
	FY24	FY23	FY23	FY23
Unallocable revenue (A)	955.96	842.72	1264.55	3863.64
Unallocable expense (B)	1333.87	1395.58	1291.88	5389.73
Unallocable Depreciation (C)	302.74	316.35	358.75	1,381.26
Other Expenditure (net of other Income) as disclosed in earlier segment report - (A-B-C)	(680.65)	(869.21)	(386.08)	(2907.35)
GT EBITDA previously disclosed	11458.51	9975.05	11905.93	43125.93
ADD Total Revenue (A)	955.96	842.72	1264.55	3863.64
Less: Total Expenses (B)	1333.87	1395.58	1291.88	5389.73
GT EBITDA as per Press Release	11080.60	9422.19	11878.60	41599.84

Note. Q1FY24, Q4FY23 and FY23 numbers depicted above are to facilitate comparisons with earlier periods

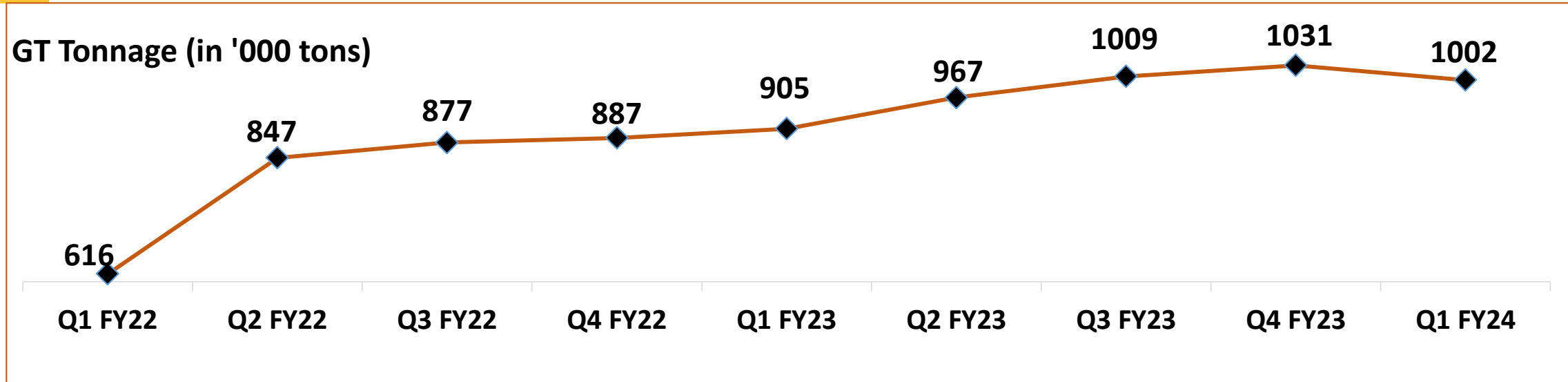
GT – PROFITABILITY ANALYSIS

YOY	Q1 FY24	Q1 FY23	Difference (%)	Reasons
	(% to Revenue)			
EBITDA	16.22%	15.26%	0.96%	
Fuel cost	29.76%	30.87%	(1.11%)	<ul style="list-style-type: none"> Procurement from refineries increased by 31% from 0.75% in Q1-23 to 31.73% in Q1-24 Average procuring cost per litre of Diesel down by 6.08%, from Rs 93.20 in Q1-23 to Rs 87.54 in Q1-24.
Lorry Hire	8.41%	9.25%	(0.84%)	<ul style="list-style-type: none"> Decrease in long haul hired vehicle Kms, as Kms covered by own vehicles increases
Vehicle Running, Repairs & Maintenance	3.61%	3.26%	0.35%	<ul style="list-style-type: none"> Increase in Kms covered by own Vehicles in overall Kms
Stores and spares consumed	2.07%	2.82%	(0.75%)	<ul style="list-style-type: none"> Decrease due to addition of new vehicles.
Tyres, Flaps and Re-treading	1.87%	2.18%	(0.31%)	<ul style="list-style-type: none"> Due to increase in Kms covered by new Vehicles
Bridge & Toll expenses	7.76%	6.90%	0.86%	<ul style="list-style-type: none"> Increase in number of Toll Plazas, Toll Rates and Increase in Kms by Owned vehicles
Rent	1.97%	1.80%	0.17%	<ul style="list-style-type: none"> Addition of new branches. Expansion in existing branches/TPT area and portion of rent is accounted in depreciation and Interest costs as per Ind AS -116.
Hamali (Loading & Unloading charges)	6.59%	6.24%	0.35%	<ul style="list-style-type: none"> Increase in Loading and Unloading rates per ton
Employee Cost	16.28%	15.95%	0.33%	<ul style="list-style-type: none"> Increase in number of employees due to addition of new branches & Internal promotions on selective basis
Other Expenses	5.46%	5.47%	(0.01%)	<ul style="list-style-type: none"> Inline with increase in Revenue
Depreciation	7.16%	5.41%	1.75%	<ul style="list-style-type: none"> Due to increase in capex and portion of rent shifted to depreciation as per Ind AS 116.
EBIT	9.06%	9.86%	(0.80%)	<ul style="list-style-type: none"> Due to increase in depreciation costs.
Finance Costs	2.38%	1.95%	0.43%	<ul style="list-style-type: none"> Due to increase in debt & portion of rent shifted to finance costs as per Ind AS 116.
PBT	6.68%	7.90%	(1.22%)	<ul style="list-style-type: none"> Due to increase in depreciation & finance costs
PAT	4.97%	5.91%	(0.94%)	<ul style="list-style-type: none"> Due to increase in depreciation & finance costs

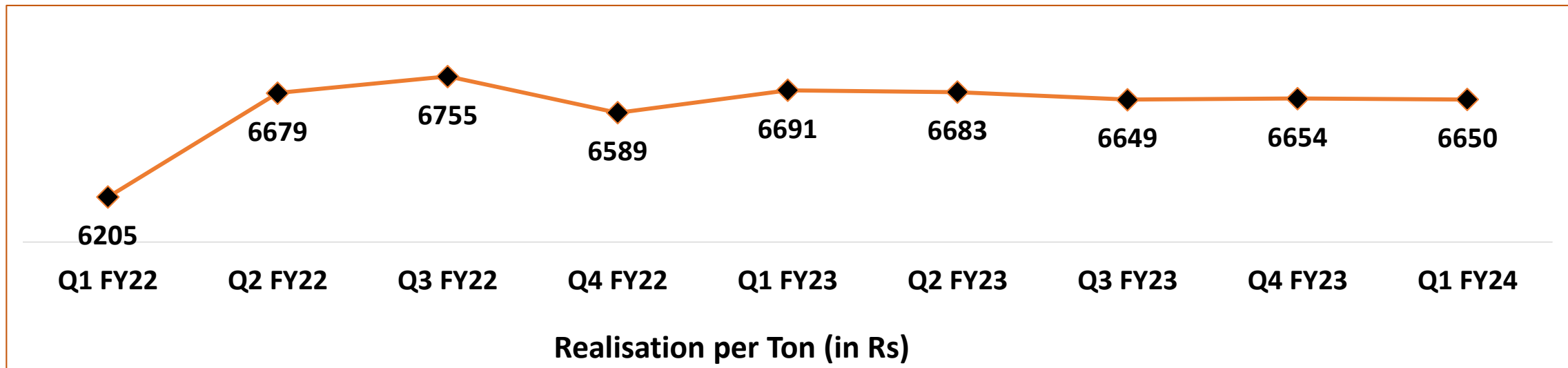
GT – PROFITABILITY ANALYSIS

QoQ	Q1 FY24	Q4 FY23	Difference (%)	Reasons
	(% to Revenue)			
EBITDA	16.22%	16.90%	(0.68%)	
Fuel cost	29.76%	30.95%	(1.19%)	<ul style="list-style-type: none"> Procurement from refineries increased by 3.58% from 28.15% to 31.73% Average procuring cost per litre of Diesel down by 1.39%, from Rs 88.78 to Rs.87.54 in Q1-24.
Lorry Hire	8.41%	7.88%	0.53%	<ul style="list-style-type: none"> Lorry Hire increase due to increase in kms by hired vehicles in certain geographical regions
Vehicle Running, Repairs & Maintenance	3.61%	4.41%	(0.80%)	<ul style="list-style-type: none"> Due to increase in mix of higher capacity new vehicles.
Stores and spares consumed	2.07%	2.14%	(0.07%)	<ul style="list-style-type: none"> Decrease in spares costs as a result of addition of new vehicles
Tyres, Flaps and Re-treading	1.87%	1.46%	0.41%	<ul style="list-style-type: none"> Due to periodic replacement of Tyres.
Bridge & Toll expenses	7.76%	7.61%	0.15%	<ul style="list-style-type: none"> Increase in number of Toll Plazas & Toll Rates
Hamali (Loading & Unloading Charges)	6.59%	6.23%	0.36%	<ul style="list-style-type: none"> Increase in Loading and Unloading rates per ton
Rent	1.97%	2.02%	(0.05%)	<ul style="list-style-type: none"> Due to long term lease agreements for new premises , portion of rent is accounted in depreciation and Interest costs as per IndAs -116 .
Employee costs	16.28%	15.42%	0.86%	<ul style="list-style-type: none"> Increase in number of employees due to addition of new branches & Internal promotions on selective basis
Other Expenses	5.46%	4.97%	0.49%	<ul style="list-style-type: none"> Due to Increase in Rates and Taxes and Admin costs.
Depreciation	7.16%	6.44%	0.72%	<ul style="list-style-type: none"> Due to increase in Capex & portion of rent shifted to depreciation as per Ind AS 116.
EBIT	9.06%	10.46%	(1.40%)	<ul style="list-style-type: none"> Due to increase in depreciation costs.
Finance Costs	2.38%	1.89%	0.49%	<ul style="list-style-type: none"> Due to increase in debt & portion of rent shifted to finance costs as per Ind AS 116.
PBT	6.68%	8.57%	(1.89%)	<ul style="list-style-type: none"> Due to increase in depreciation & finance costs
PAT	4.97%	8.67%	(3.70%)	<ul style="list-style-type: none"> Due to increase in depreciation & finance costs

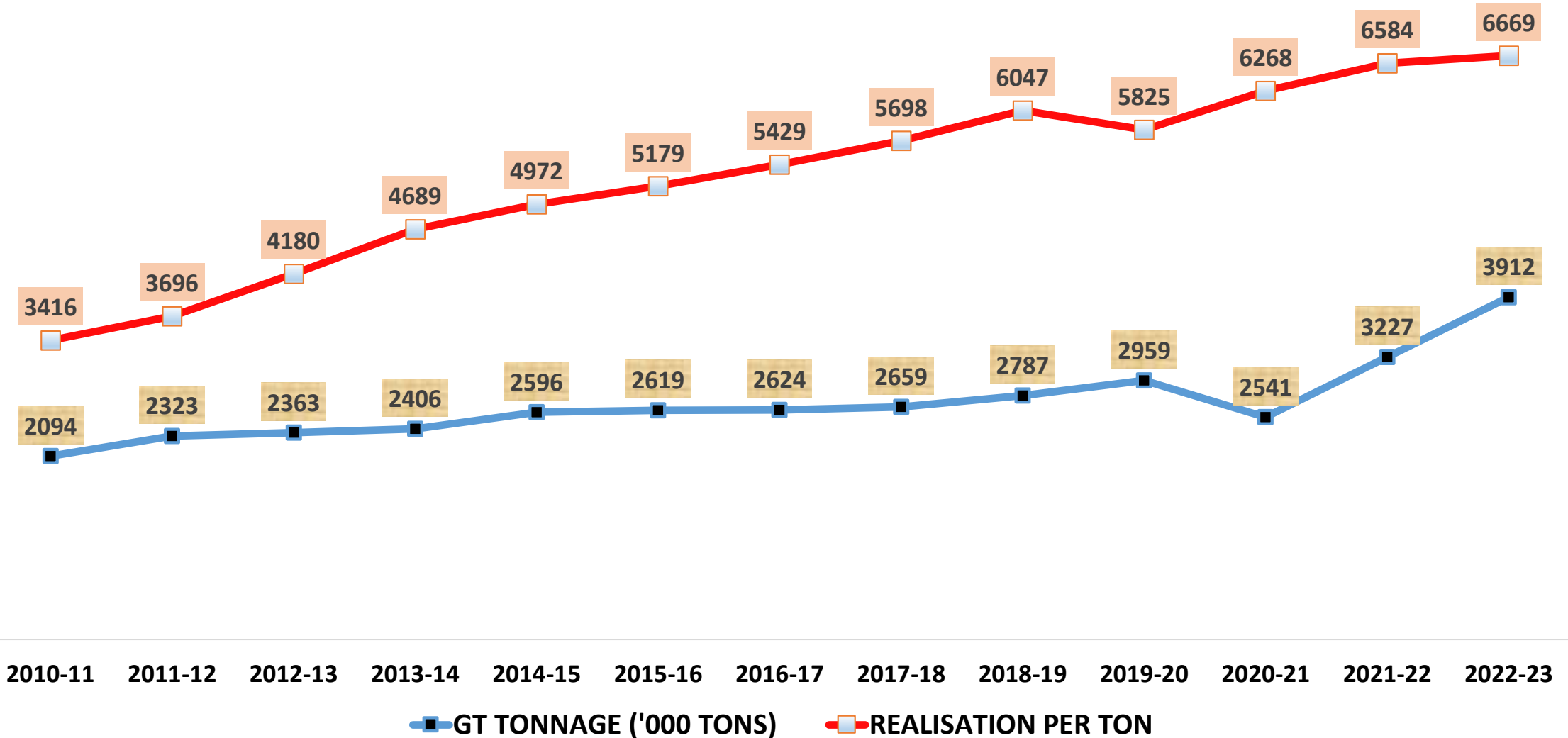
GT – TONNAGE AND REALISATION



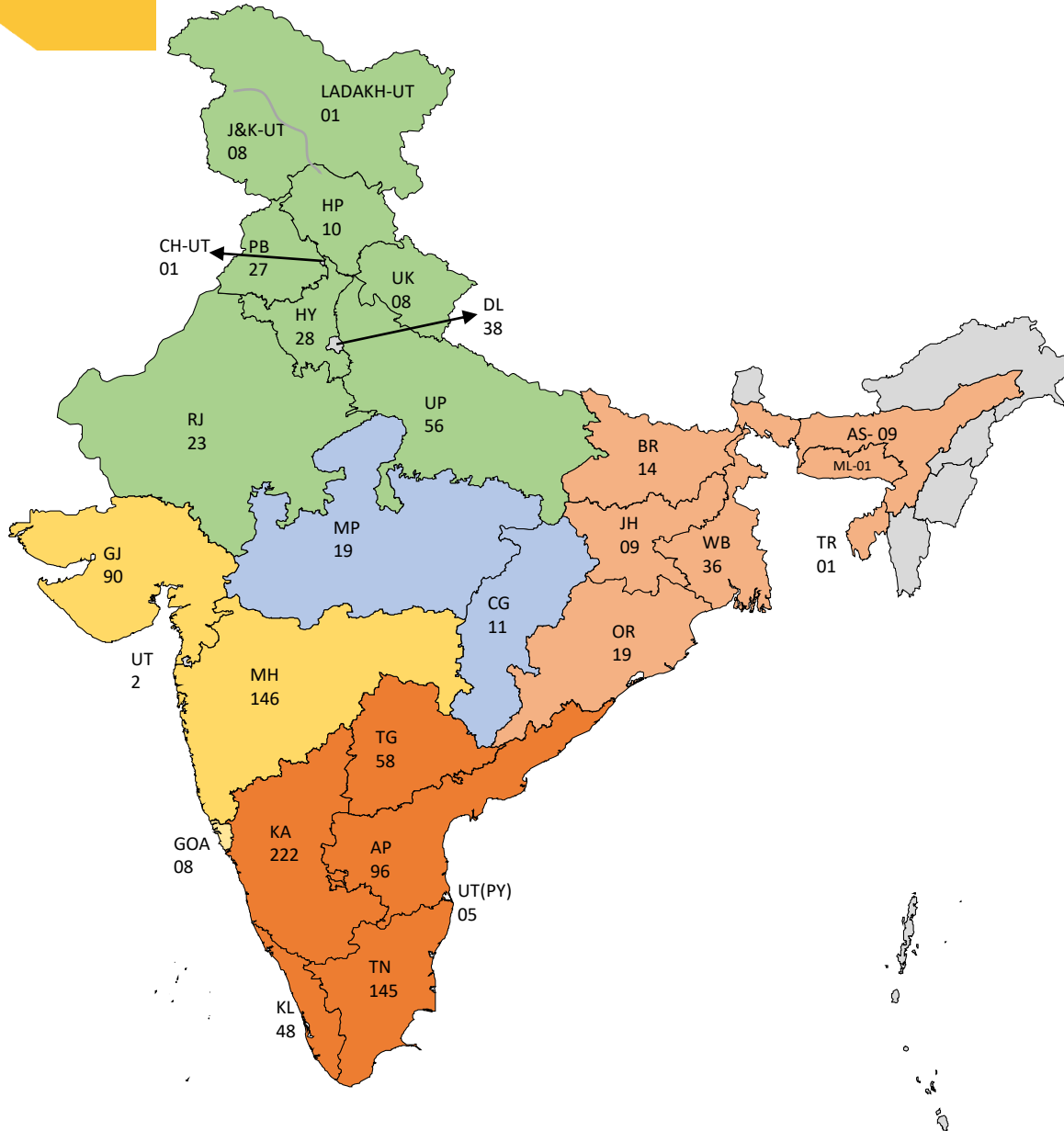
11000+ TONS SERVICED ON A DAILY BASIS (Q1 FY2024)



CONSISTENT GROWTH IN TONNAGE & REALISATION



GT NETWORK



- Market Leader In LTL Segment
- Hub & Spoke Model
- Focus on Geographical Expansion.
- **21** Branches Added in Q1FY24
- Service extended into newer territories

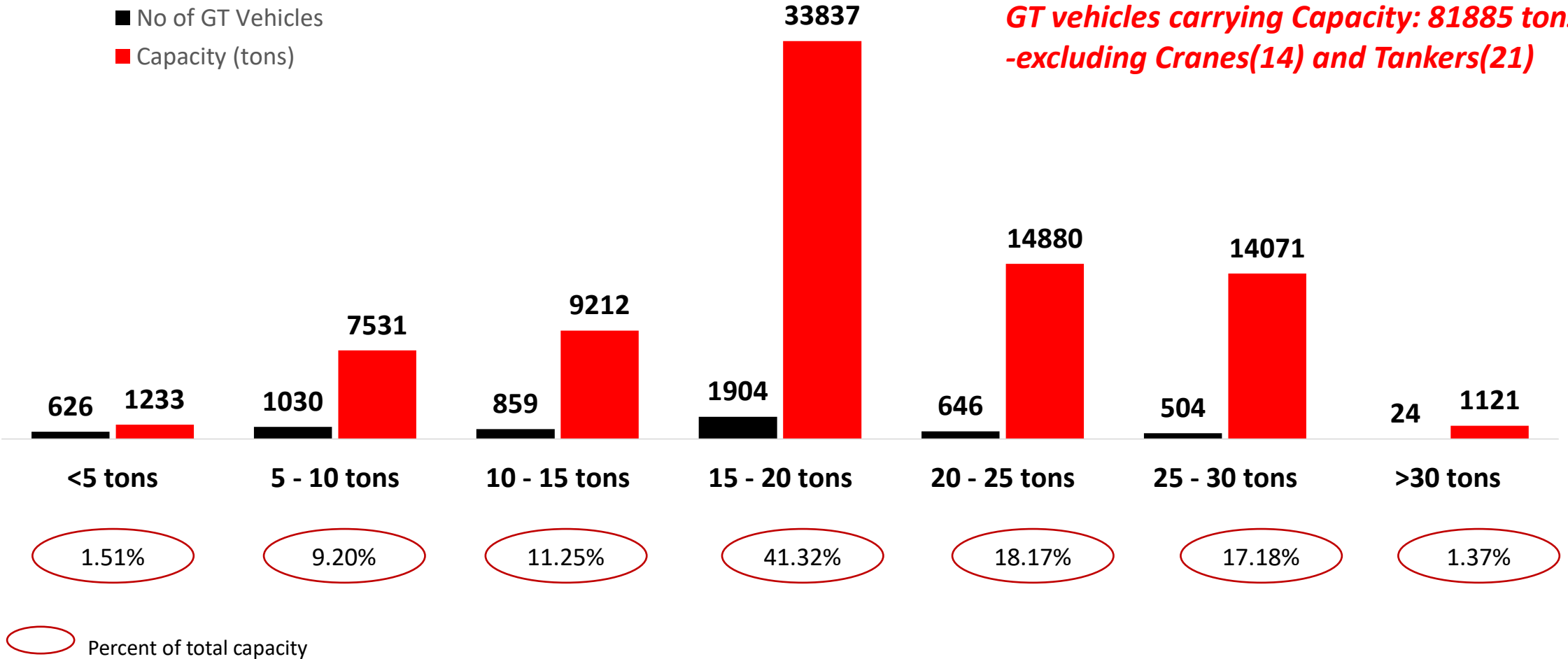
Operations:

- **24** States & **5** Union Territories
- **1140** Branches
- **49** Strategically Placed Hubs

GT VEHICLES & CAPACITY

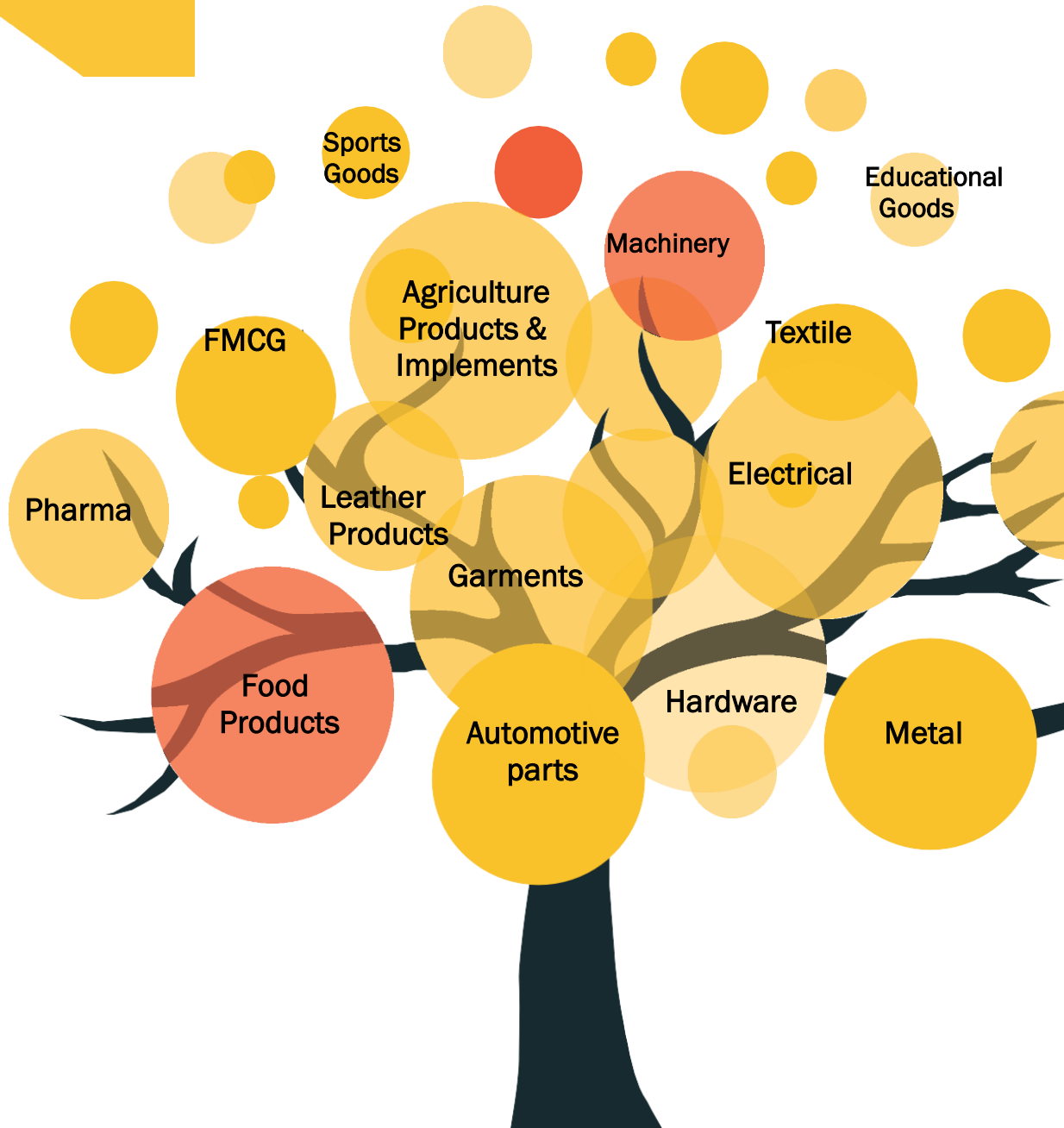
Total GT Vehicles : 5628

**GT vehicles carrying Capacity: 81885 tons -
-excluding Cranes(14) and Tankers(21)**



VRL has 981 vehicles > 15 years has of JUNE 30, 2023 with a total capacity of 9990 tons, whereas VRL has been continuously adding New Capacity.

GT WIDE RANGE OF SECTORS SERVED



Expertise In Handling Variety Of Commodities

Diversified B2B Customer Base Across Wide Range of Industries

No single customer contributing over ~1% of Total Revenue

Contribution from Top 10 customers accounts hardly ~3% of total Goods transportation business

Storage facility available in all our Delivery branches

Lowest Bad Debts and Hassle Free Claim Settlement in the Industry

KEY DEVELOPMENTS

Addition of 21 new branches in Q1FY24. Closed : 7 branches. Total number of branches as on 30.06.2023 is 1140.

Expansion of existing TPT / Branch Area and increasing Branch Density in Key Markets like Hubballi, Pune, Ahmedabad, Raipur, Salem, Chennai, Kanpur, Delhi, Kolkata, Patna, Guwahati, Siliguri, Cuttack, Ludhiana, Madurai etc.

Number of GT Vehicles decreased from 5671 vehicles in Q4FY23 to 5628 vehicles in Q1FY24. Total New GT vehicles added in Q1FY24- 254 vehicles (HCV- 235, LCV- 11, SV -8), sold/scrapped : 297 vehicles- (HCV-238,LCV -54,SV-4, TANKER-1) Overall vehicle numbers decreased by 43 vehicles.

Higher consumption at owned fuel pumps – Direct procurement from refineries. Planning to add two more owned pumps in Delhi and Ambala to the existing Six pumps.

89% of the GT vehicles are debt free

Bar code/ QR mechanism implemented for handling of consignments . Operations back on Track after Initial interruptions.

Net debt increased from Rs. 16794.12 lakhs as on Mar 31, 2023 to Rs. 19377.40 lakhs as on 30.06.2023.

CAPEX of Rs. 8712.49 lakhs was incurred in Q1FY24.

Sale/ Transfer of Transport of Passenger's by Air business for a consideration of 17 crores- Effective date of transfer 31.07.2023.

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

Well positioned to conclude
planned fleet addition



THANK YOU

For further discussions or queries, Please contact

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