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To,

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

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

Dear Sir / Madam,

Sub: Submission of Earnings Presentation

Ref: Scrip Codes (BSE: 539118, NSE: VRLLOG)

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: 09.11.2019

Place: Hubballi



VRL Financial Results - Q2 2019-20

Earnings Presentation

November 09, 2019



VRL LOGISTICS LTD

www.vrllogistics.com

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A public listed company on NSE & BSE Exchange with a Market capitalization of INR 25.01 billion (as on 30th September, 2019).

A pre dominantly parcel delivery service provider (70.21% of total Revenue for FY19) with pan-India last mile connectivity operating through a fleet of 4473 owned Goods transport vehicles complemented by third party hired vehicles on need basis.

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

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

Passenger transportation through 362 owned buses of various makes.

Extensive pan India network with presence 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



Booking & Distribution Network

Market Leader in LTL segment

Operations : 22 States,5 Union Territories,

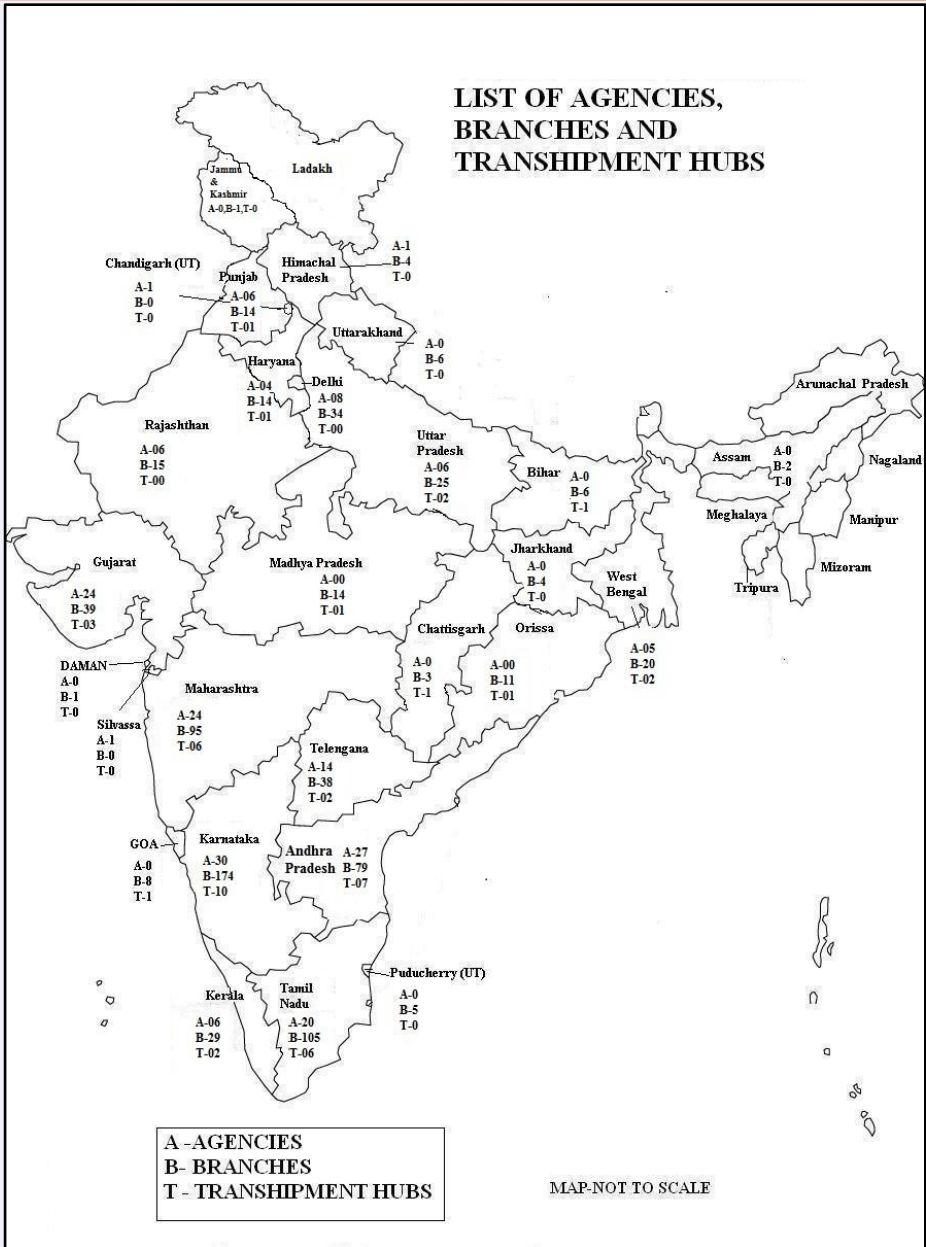
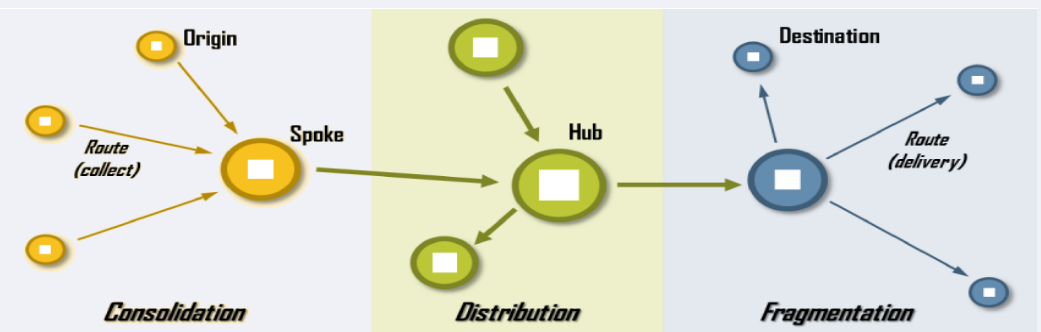
699 Branches

183 Agencies

47 Strategically placed Hubs

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

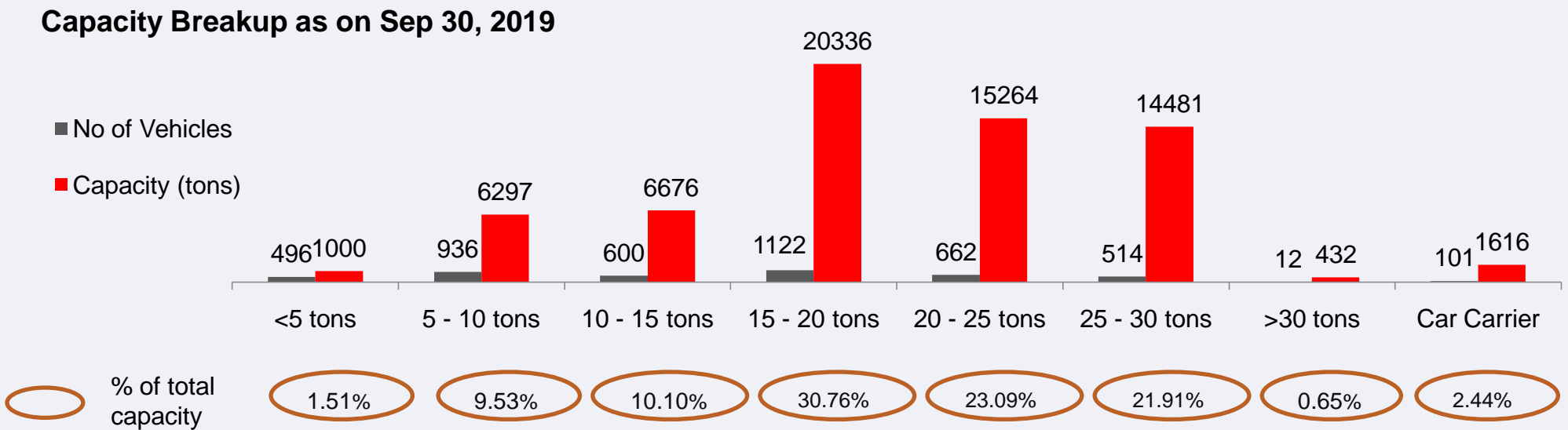
Hub-and-Spoke model to aggregate small parcels and maximize capacity utilization of its vehicles



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

Own Vehicle Numbers										
As of	0.5 tons to 2.5 tons	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-16	119	982	2639	102	49861	17	13	3872	381	4253
31-Mar-17	117	969	2723	102	52099	17	13	3941	419	4360
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
30-Sep-19	262	1006	3074	101	66102	17	13	4473	362	4835

Note: (1) Used for transportation of automobiles. (2) Used for transportation of liquid (3) Cranes are predominantly used for internal operations.



Goods transportation fleet

4473 owned vehicles as on September 30, 2019.	4283 (96%) debt free vehicles
Wide range of vehicles with carrying capacity from 1 ton to 39 tons	2342 (52%) of vehicles are fully depreciated

Bus Operations fleet

362 owned vehicles as on September 30, 2019

362 (100%) vehicles are debt free

Significance of own vehicles

- Enables us to significantly control hiring and 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 4835 owned vehicles provides greater leverage in terms of pricing and service

1. The financial results are prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) (amended) as prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, as applicable.
2. The financial results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors of the Company at their respective meetings held on 9 November 2019. There are no qualifications in the limited review report issued for the said period.
3. The Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for quarter and half year ended 30 September 2019 and re-measured its deferred tax liabilities/assets basis the rate prescribed in the aforesaid section. The remeasurement of accumulated deferred tax liabilities (net) has resulted in reversal of deferred tax expenses (net) of Rs 1289.82 lakhs.
4. The Board of Directors at its meeting held on 9 November 2019 has declared an interim dividend of Rs 4 per equity share of face value Rs 10 each for the six months ended 30 September 2019.
5. The Company has adopted Ind AS 116, 'Leases', effective 1 April 2019, using modified retrospective approach, wherein comparative information are not required to be restated. The Company has discounted lease payments using the incremental borrowing rate as at 1 April 2019 for measuring lease liabilities at Rs 27047.16 lakhs and accordingly recognised right-of-use assets at Rs 24623.53 lakhs by adjusting retained earnings by Rs 1911.20 lakhs (net of tax), including adjustments for prepaid/accrued rent and lease equalisation reserve, as at the aforesaid date. In the Statement of Profit and Loss for the current period, expenses in the nature of operating leases are recognised as amortisation of right-of-use assets and finance costs, as compared to lease rent in previous periods, and to this extent, results for the current period are not comparable.

Impact of Ind AS 116 on Financial Results



The impact of adopting Ind AS 116 on the financial results for the half year ended 30 September 2019 is as follows:

Particulars (INR in lakhs)	Half Year ended 30.09.2019 (Erstwhile basis)	Half Year ended 30.09.2019 (As per Ind AS-116)	Increase/ (Decrease) in Profit	Goods Transport	Bus Operations	Sale of Power	Transport of passengers by AIR
Freight, handling and servicing cost	73619.33	69763.86	3855.47	3579.56	275.92		-
% to Revenue			3.61%	3.35%	0.26%		-
Finance costs	526.84	1758.62	(1231.78)	(1150.75)	(81.03)		-
Depreciation and amortisation expense	5163.74	8144.08	(2980.34)	(2726.10)	(240.09)	(14.15)	-
Profit before tax	7199.51	6,842.86	(356.65)	(297.30)	(45.20)	(14.15)	-
% to Revenue			(0.33%)	(0.28)	(0.04)	(0.01)	-
Profit after tax	6483.06	6217.81	(265.25)				
% to Revenue			(0.25%)				

Impact of Ind AS 116 on Financial Results



Particulars (INR in lakhs)	Year ended 30 September 2019 (pre Ind AS 116) (Audited)	Ind AS 116 Impact	Year ended 30 September 2019 (post Ind AS 116)	ROU Assets	DTA Impact	Lease equalisation	Net Impact
Assets							
a) Goods transport	64875.03	22285.59	87160.62	22285.59	-	-	22285.59
b) Bus operations	7109.70	1580.72	8690.42	1580.72	-	-	1580.72
c) Sale of power	7732.68	-	7732.68	-	-	-	-
d) Transport of passengers by Air	3447.69	-	3447.69	-	-	-	-
e) Un-allocable assets	13270.80	-	13270.80	-	-	-	-
Total	96435.90	23866.31	120302.21	23866.31	-	-	23886.31
Liabilities							
a) Goods transport	9414.85	24705.95	34120.80	25476.52	-	(770.58)	24,705.95
b) Bus operations	1597.97	1718.31	3316.28	1718.31	-	-	1718.31
c) Sale of power	1.00	-	1.00	-	-	-	-
d) Transport of passengers by Air	72.08	-	72.08	-	-	-	-
e) Un-allocable liabilities	16881.48	(646.75)	16234.73	-	(646.75)	-	(646.75)
Total	27967.39	25777.50	53744.89	27194.83	(646.75)	(770.58)	25777.50
Impact on retained earnings		(1911.20)					



Total Income at 52691.69 lakhs

EBITDA Margins at 14.47%

EBIT Margins at 6.61%

PBT Margins at 4.94%

PAT Margins at 6.59%



Total Income at 106895.20 lakhs

EBITDA Margins at 15.67%

EBIT Margins at 8.05%

PBT Margins at 6.40%

PAT Margins at 5.82%

Consolidated (INR in Lakhs)	Q2 FY20 (Unaudited)	Q1 FY20 (Unaudited)	Q2 FY19 (Unaudited)	H1FY20 (Unaudited)	H1FY19 (Unaudited)	FY19 (Audited)
TOTAL INCOME	52691.69	54203.51	51933.42	106895.20	105029.14	211746.82
EBITDA	7626.49	9119.07	5641.15	16745.56	11913.10	25191.92
EBITDA Margins(%)	14.47%	16.82%	10.86%	15.67%	11.34%	11.90%
EBIT	3480.30	5121.18	3120.04	8601.48	6939.65	15133.83
EBIT Margins(%)	6.61%	9.45%	6.01%	8.05%	6.61%	7.15%
PBT	2600.44	4242.42	2924.68	6842.86	6585.49	14047.46
PBT Margins(%)	4.94%	7.83%	5.63%	6.40%	6.27%	6.63%
PAT (excludes comprehensive income)	3472.41	2745.40	2063.48	6217.81	4482.24	9191.61
PAT Margins(%)	6.59%	5.06%	3.97%	5.82%	4.27%	4.34%

Segment Performance– Q2 FY2019-20

(INR in lakhs)	Goods Transport					
	Quarter ended			Half Year ended		Year ended
Particulars	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
Revenue	43202.36	42339.02	41927.70	85541.38	82919.53	168601.88
EBITDA	5847.36	6290.70	4982.57	12138.05	9197.98	20521.12
EBITDA Margin(%)	13.53%	14.86%	11.88%	14.19%	11.09%	12.17%
EBIT	2940.20	3556.30	3655.72	6496.50	6605.67	15210.57
EBIT Margin(%)	6.81%	8.40%	8.72%	7.59%	7.97%	9.02%

- **Goods transport revenue** increased by 2.04% QoQ and increased by 3.04% YoY. YTD (6M) increased by 3.16% .
- EBITDA decreased by 7.05% QoQ and increased by 17.36% YoY. YTD (6M) decreased by 31.96% .
- EBITDA margins decreased by 1.32% QoQ and increased by 1.65% YoY. YTD (6M) increased by 3.10% .
- EBIT decreased by 17.32% QoQ and decreased by 19.57% YoY. YTD (6M) decreased by 1.65% .
- EBIT margins decreased by 1.59% QoQ and decreased by 1.91% YoY. YTD (6M) decreased by 0.37% .

Segment Performance– Q2 FY2019-20

(INR in lakhs)	Bus Operations					
	Quarter ended			Half Year ended		Year ended
Particulars	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
Revenue	7451.02	10395.53	8109.93	17846.55	18833.87	38032.74
EBITDA	463.52	2054.59	(206.80)	2518.11	1619.41	4136.27
EBITDA Margin(%)	6.22%	19.76%	(2.55%)	14.11%	8.60%	10.88%
EBIT	(191.14)	1366.96	(835.76)	1175.82	362.51	1657.05
EBIT Margin(%)	(2.57%)	13.15%	(10.31%)	6.59%	1.92%	4.36%

- **Bus operations revenue** decreased by 28.32% QoQ and decreased by 8.12% YoY. YTD (6M) decreased by 5.24% .
- EBITDA decreased by 77.44% QoQ and increased by 324.13% YoY. YTD (6M) increased by 55.50%
- EBITDA margins decreased by 13.54% QoQ and increased by 8.77% YoY. YTD (6M) increased by 5.51%
- EBIT decreased by 113.98% QoQ and increased by 77.13% YoY. YTD (6M) increased by 224.36%.
- EBIT margins decreased by 15.71% QoQ and increased by 7.74% YoY. YTD (6M) increased by 4.66% .

(INR in lakhs)	Sale of Power					
	Quarter ended			Half Year ended		Year ended
Particulars	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
Revenue	958.13	483.92	1165.34	1442.05	1709.85	2208.51
EBITDA	824.20	305.22	987.38	1129.42	1368.79	1545.87
EBITDA Margin(%)	86.02%	63.07%	84.73%	78.32%	80.05%	70.00%
EBIT	553.41	27.72	716.14	581.13	826.32	460.93
EBIT Margin(%)	57.76%	5.73%	61.45%	40.30%	48.33%	20.87%

- **Sale of Power revenue** increased by 97.99% QoQ and decreased by 17.78% YoY. YTD (6M) decreased by 15.66%
- EBITDA increased by 170.03% QoQ and decreased by 16.53% YoY. YTD (6M) decreased by 17.49%.
- EBITDA margins increased by 22.95% QoQ and increased by 1.29% YoY. YTD (6M) decreased by 1.73% .
- EBIT increased by 1896.43% QoQ and decreased by 22.72% YoY. YTD (6M) decreased by 29.67%.
- EBIT margins increased by 52.03% QoQ and decreased by 3.69% YoY. YTD (6M) decreased by 8.03%

Segment Performance– Q2 FY2019-20

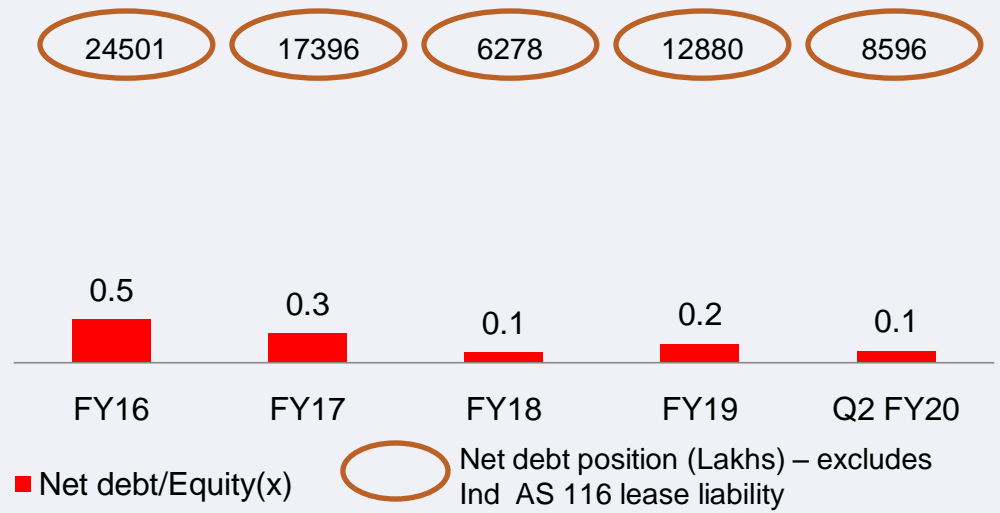
(INR in lakhs)	Transport of Passengers by Air					
	Quarter ended			Half Year ended		Year ended
Particulars	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
Revenue	514.92	518.57	255.89	1033.49	584.09	1072.22
EBITDA	165.07	140.67	53.00	305.74	86.90	(62.50)
EBITDA Margin(%)	32.06%	27.13%	20.71%	29.58%	14.88%	(5.83%)
EBIT	115.62	100.19	11.09	215.81	6.29	(215.77)
EBIT Margin(%)	22.45%	19.32%	4.33%	20.88%	1.08%	(20.12%)

- **Transport of passengers by Air revenue** decreased by 0.70% QoQ and increased by 101.23% YoY. YTD (6M) increased by 76.94%.
- EBITDA increased by 17.35% QoQ and increased by 211.46% YoY. YTD (6M) increased by 251.83%.
- EBITDA margins increased by 4.93% QoQ and increased by 11.35% YoY. YTD (6M) increased by 14.71%.
- EBIT increased by 15.40% QoQ and increased by 942.56% YoY. YTD (6M) increased by 3331%.
- EBIT margins increased by 3.13% QoQ and increased by 18.12% YoY. YTD (6M) increased by 19.80%.

- Procurement of Bio-fuel @ 32.25% of total Quantity in H1FY20 (31.42% in Q1-20 & 33.07% in Q2-20). The Bio-fuel quantity increased by 9.54% in H1FY20, as compared to 22.71% of total quantity in H1FY19.
- Addition of 93 goods transport vehicles in H1FY20 (15 tons and above - 82 vehicles, 1 ton to 9 tons– 11 vehicles). 18 vehicles sold/scrapped. Net Addition 75 goods transport vehicles. Total GT vehicles were 4473 as on September 30, 2019
- Surat Transshipment Hub : Commercial operations commenced from Aug 15, 2019.
- Initiated GPS tracking of Hired vehicles to ensure at par level services.
- The ICRA Debt Rating is improved from A to A+ (stable)
- The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019
- Net debt reduced from Rs. 12879.84 lakhs as on Mar 31, 2019 to Rs 8595.77 lakhs as on September 30, 2019. Including Ind AS 116 Lease Liability, Net debt was 35790.60 lakhs as on September 30, 2019

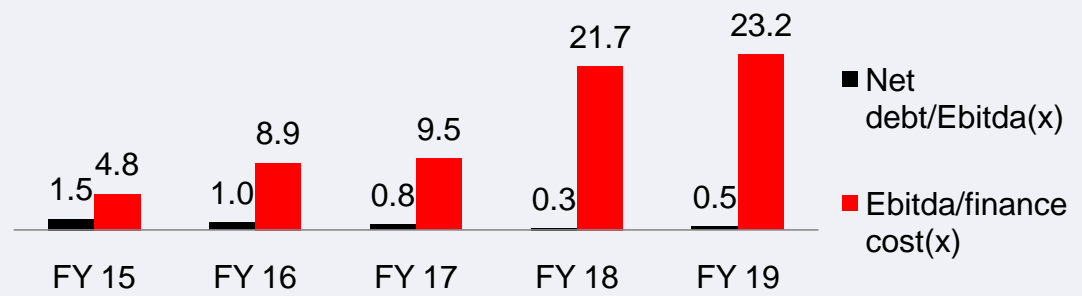
Leverage Metrics

Net Debt to Equity

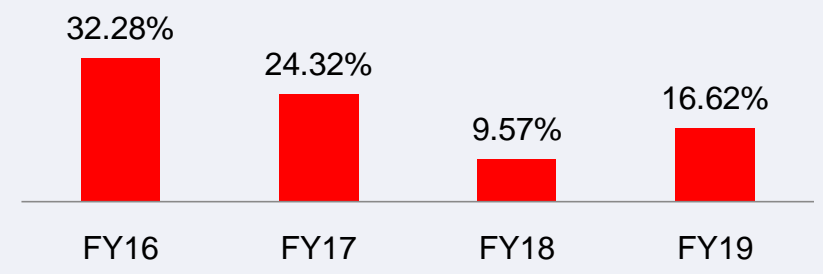


Note : Debt for the above purpose includes non-current borrowings, current borrowings and current maturities of non current borrowings and Interest accrued but not due on borrowings.

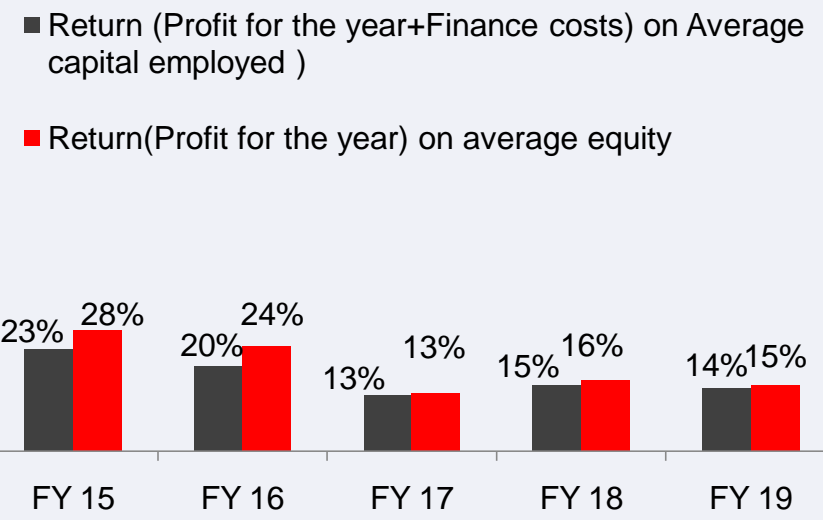
Leverage metrics



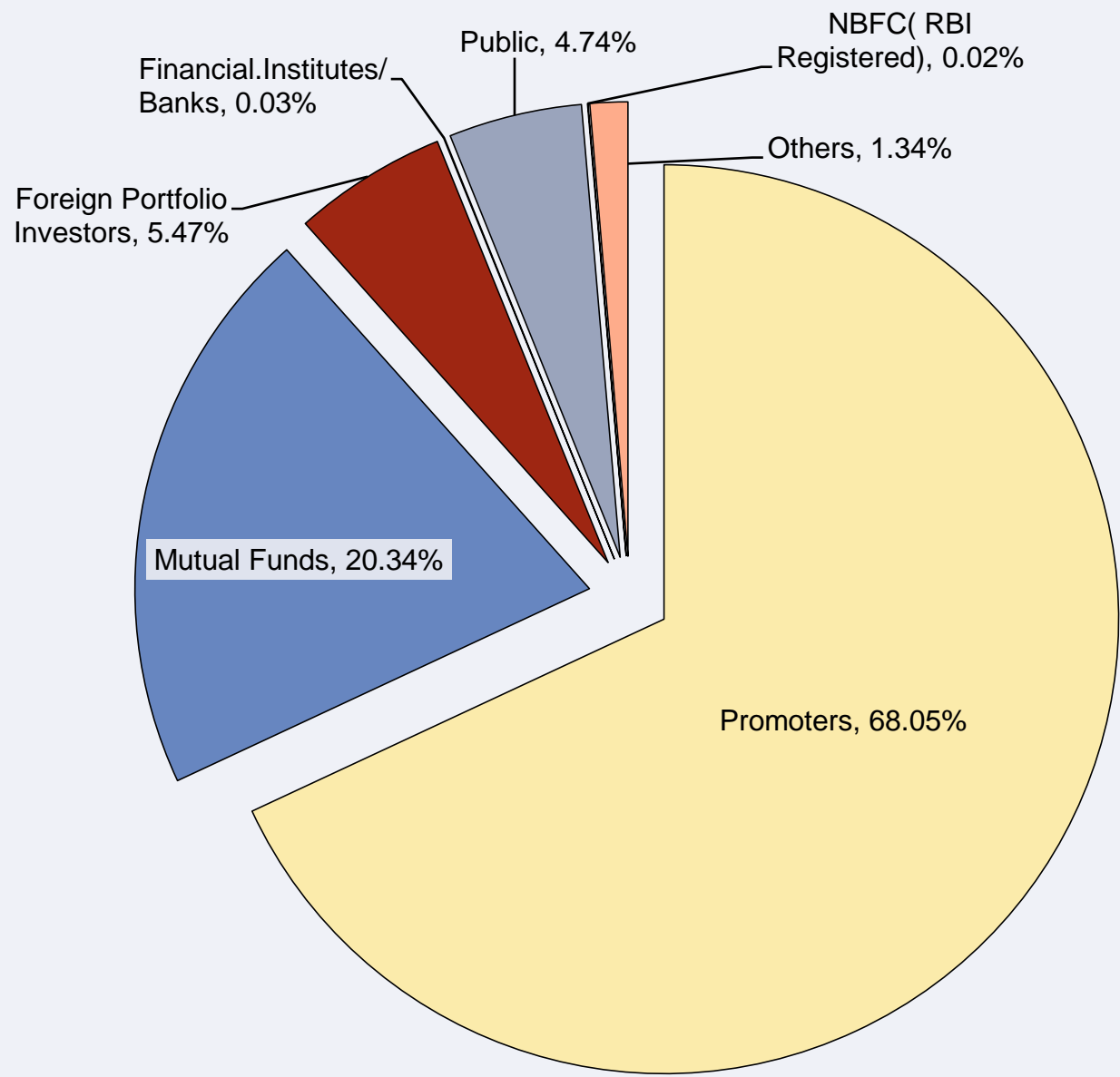
Gearing Ratio



Return metrics



Improving debt profile - Has been able to reduce leverage at the company to relatively comfortable levels



THANKING YOU



For further discussions/queries please contact :

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