



VRL Financial Results - Q3 2017-18

Earnings Presentation



VRL LOGISTICS LTD

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A public listed company on NSE & BSE Exchange with a Market capitalization of INR 39.27 billion (as on 31st December, 2017).

A pre dominantly parcel delivery service provider (68.28 % of total Revenue for FY 17) with pan-India last mile connectivity operating through a fleet of 3989 owned Goods transport vehicles complemented by third party hired vehicles on need basis.

Passenger transportation through 406 owned buses of various makes.

Extensive pan India network with presence in 951 locations ensuring last mile delivery even in remote locations.

State - of - the - art workshop facilities with performance enhancing technological innovations.

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



Highlights- Q3 FY 2017-18



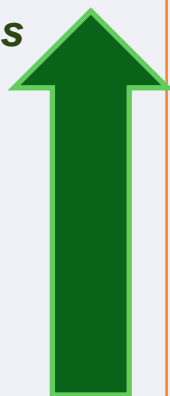
Revenue at 48933.85 lakhs

EBITDA Margin at 13.29%

EBIT Margin at 8.31%

PBT Margin at 7.90%

PAT Margin at 5.11%



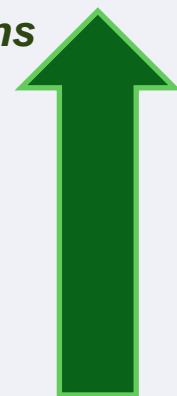
Revenue at 143314.62 lakhs

EBITDA Margin at 13.97%

EBIT Margin at 8.91%

PBT Margin at 8.27%

PAT Margin at 5.57%



Consolidated (INR in Lakhs)	Q3 FY18 (Unaudited)	Q2 FY18 (Unaudited)	Q3 FY17 (Unaudited)	9M FY18 (Unaudited)	9M FY17 (Unaudited)	FY 17 (Audited)
REVENUE	48933.85	45193.40	45152.49	143314.62	136022.13	180308.51
EBITDA	6549.88	5842.87	6190.19	20192.29	18360.83	22748.13
EBITDA Margin(%)	13.29%	12.85%	13.63%	13.97%	13.43%	12.55%
EBIT	4095.50	3408.18	3802.82	12883.68	10927.40	12930.28
EBIT Margin(%)	8.31%	7.50%	8.38%	8.91%	7.99%	7.13%
PBT	3894.97	3099.90	3254.04	11956.40	9037.25	10530.07
PBT Margin(%)	7.90%	6.82%	7.17%	8.27%	6.61%	5.81%
PAT	2520.62	2159.97	2175.36	8054.39	6208.89	7047.26
PAT Margin(%)	5.11%	4.75%	4.79%	5.57%	4.54%	3.89%



(INR in lakhs)	Goods Transport					
	Quarter ended			Nine months ended		Year ended
Particulars	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2017 (Audited)
Revenue	38718.41	35816.74	35420.12	112033.83	106862.65	142615.26
EBITDA	4903.68	4624.42	4609.30	14627.10	13425.13	17636.00
EBITDA Margin(%)	12.66%	12.91%	13.01%	13.06%	12.56%	12.37%
EBIT	3642.84	3377.97	3463.36	10888.65	9969.75	12815.91
EBIT Margin(%)	9.41%	9.43%	9.78%	9.72%	9.33%	8.99%

- **Goods transport revenue** increased by 8.10% QoQ and increased by 9.31% YoY. YTD (9M) increased by 4.84%.
- EBITDA increased by 6.04% QoQ and increased by 6.39% YoY. YTD (9M) increased by 8.95%.
- EBITDA margin decreased by 0.25% QoQ and decreased by 0.35% YoY. YTD (9M) increased by 0.49%.
- EBIT increased by 7.84% QoQ and increased by 5.18% YoY. YTD (9M) increased by 9.22%.
- EBIT margin decreased by 0.02% QoQ and decreased by 0.37% YoY. YTD (9M) increased by 0.39% .



(INR in lakhs)	Passenger Transport					
	Quarter ended			Nine months ended		Year ended
Particulars	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2017 (Audited)
Revenue	9392.54	7805.64	8617.02	27531.29	25029.42	32620.63
EBITDA	1492.92	524.19	1279.14	4282.71	3521.39	3742.91
EBITDA Margin(%)	15.89%	6.72%	14.84%	15.56%	14.07%	11.47%
EBIT	860.49	(107.85)	642.40	2383.89	1629.84	1203.24
EBIT Margin(%)	9.16%	(1.38%)	7.46%	8.66%	6.51%	3.69%

- **Passenger transport revenue** increased by 20.33% QoQ and increased by 9.00% YoY. YTD (9M) increased by 10.00%.
- EBITDA increased by 184.80% QoQ and increased by 16.71% YoY. YTD (9M) increased by 21.62%.
- EBITDA margin increased by 9.18% QoQ and increased by 1.05% YoY. YTD (9M) increased by 1.49% .
- EBIT increased by 897.86% QoQ and increased by 33.95% YoY. YTD (9M) increased by 46.27%.
- EBIT margin increased by 10.54% QoQ and increased by 1.71% YoY. YTD (9M) increased by 2.15% .

Segment Performance– Q3 FY2017-18



(INR in lakhs)	Sale of Power					
	Quarter ended			Nine months ended		Year ended
Particulars	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2017 (Audited)
Revenue	248.81	922.44	325.80	1969.03	2108.23	2346.84
EBITDA	88.70	759.73	182.62	1568.74	1665.62	1755.86
EBITDA Margin(%)	35.65%	82.36%	56.05%	79.67%	79.01%	74.82%
EBIT	(182.04)	488.99	(93.70)	756.51	526.48	339.69
EBIT Margin(%)	(73.16%)	53.01%	(28.76%)	38.42%	24.97%	14.47%

- **Sale of Power revenue** decreased by 73.03% QoQ and decreased by 23.63% YoY. YTD (9M) decreased by 6.60%.
- EBITDA decreased by 88.32% QoQ and decreased by 51.43% YoY. YTD (9M) decreased by 5.82%.
- EBITDA margin decreased by 46.71% QoQ and decreased by 20.40% YoY. YTD (9M) increased by 0.67%.
- EBIT decreased by 137.23% QoQ and decreased by 94.28% YoY. YTD (9M) increased by 43.69%.
- EBIT margin decreased by 126.17% QoQ and decreased by 44.40% YoY. YTD (9M) increased by 13.45% ..



(INR in lakhs)	Transport of Passengers by Air					
	Quarter ended			Nine months ended		Year ended
Particulars	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2017 (Audited)
Revenue	302.63	333.82	503.81	879.02	1,212.27	1603.43
EBITDA	22.14	45.63	154.25	(10.99)	305.26	379.71
EBITDA Margin(%)	7.32%	13.67%	30.62%	(1.25%)	25.18%	23.68%
EBIT	10.26	(1.88)	106.74	(117.90)	162.72	189.65
EBIT Margin(%)	3.39%	(0.56%)	21.19%	(13.41%)	13.42%	11.83%

➤ **Transport of passengers by Air revenue** decreased by 9.34% QoQ and decreased by 39.93% YoY. YTD (9M) decreased by 27.49%.

➤ EBITDA decreased by 51.5% QoQ and decreased by 85.65% YoY. YTD (9M) decreased by 103.60%.

➤ EBITDA margin decreased by 6.35% QoQ and decreased by 23.30% YoY. YTD (9M) decreased by 26.43%.

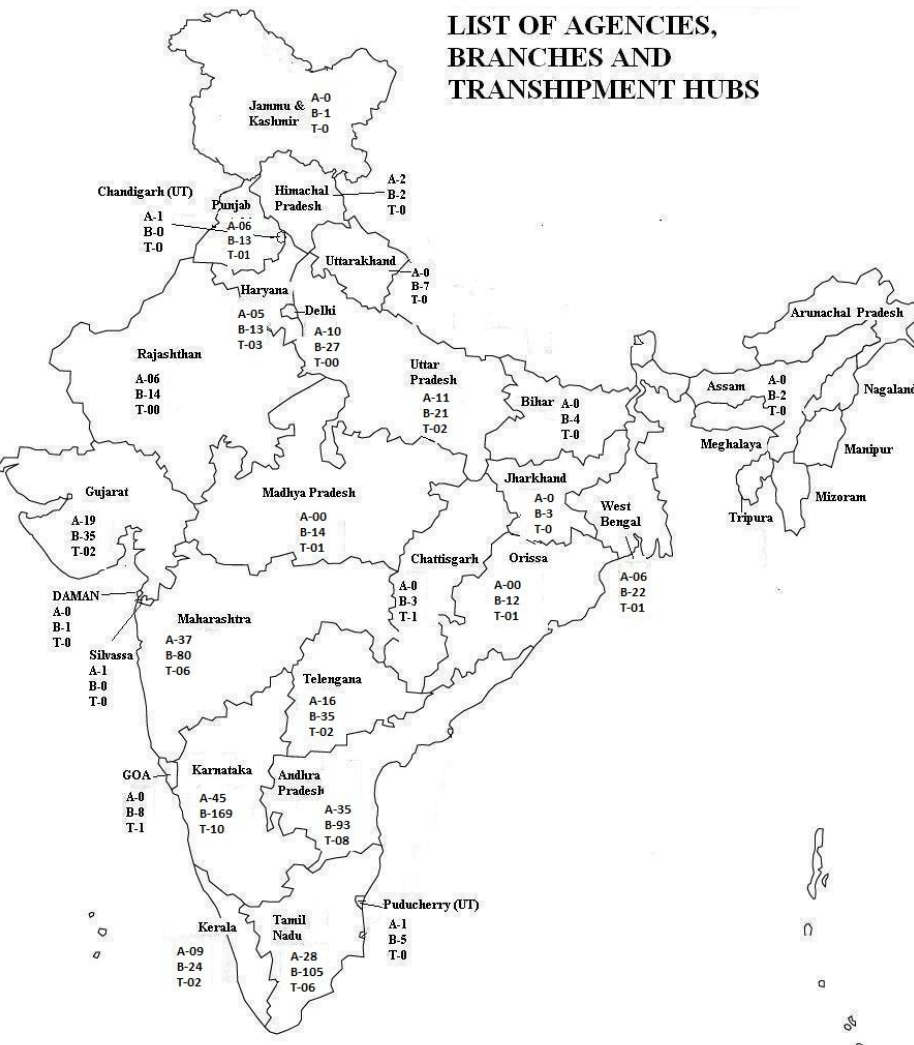
➤ EBIT increased by 645.74% QoQ and decreased by 90.39% YoY. YTD (9M) decreased by 172.46%.

➤ EBIT margin increased by 3.95% QoQ and decreased by 17.80% YoY. YTD (9M) decreased by 26.84% .

- **GST Compliance** - The company has adapted to the new Tax regime by bringing in the necessary changes in its operational systems.
- Government of India has granted Infrastructure Status to the Logistics Industry.
- Initiation of new Infrastructure facility (transshipment hub) at Surat (Gujarat State).
- Procurement of Bio-fuel @ 11.76% of total Quantity in 9M FY18, up by 1.75% from 10.01% in 9M FY17.
- Addition of 47 locations to the existing network of Goods Transport business during the Nine month period ending Dec 31, 2017. Operational infrastructure consists of 951 locations as on December 31, 2017. (closure of 27 locations).
- Addition of 73 goods transport vehicles during the Nine month period ending Dec 31, 2017. 25 Vehicles sold/scrapped. Total GT vehicles are 3989 as on December 31, 2017.
- Open Market buyback to reward Shareholders
- Healthy Net Debt to Equity ratio – Improvement from 0.32x as on March 31, 2017 to 0.08x as on December 31, 2017.
- Net debt reduced from Rs. 17396.35 lakhs as on March 31, 2017 to Rs. 4578.76 lakhs as on December 31, 2017.



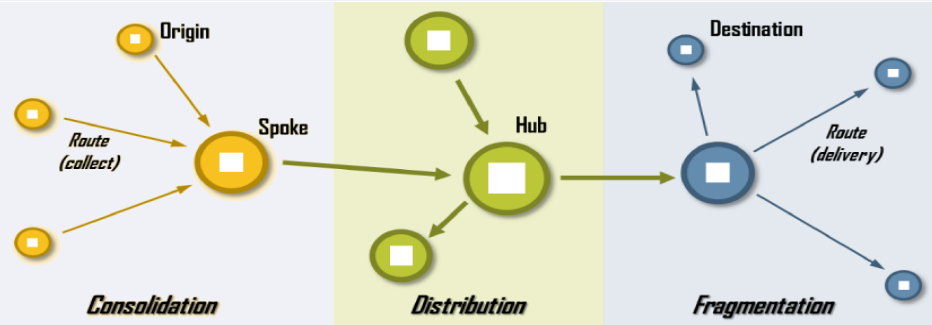
LIST OF AGENCIES, BRANCHES AND TRANSHIPMENT HUBS



A - AGENCIES
 B - BRANCHES
 T - TRANSHIPMENT HUBS

MAP-NOT TO SCALE

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



One of the largest pan-India surface transportation network in 23 states and 4 Union territories.

Operational infrastructure comprises of 713 branches, 238 agencies & 47 hubs in 951 locations

Strategically placed 47 (7 owned) transshipment hubs

Infrastructure facilities comprising of branches agencies, and transshipment hubs enables us to cater to a diversified customer base spread across different geographical locations

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

- Established brand since four decades.
- Market leader in India in the LTL segment.



Infrastructure

As of	Small Vehicle (1)	Light Commercial Vehicle (2)	Heavy Commercial Vehicles (3)	Car Carrier (4)	Available Capacity (tons)	Tanker (5)	Cranes (6)	Total Vehicles Owned	BUSES	TOTAL FLEET
31-Mar-13	122	883	1941	102	34882	27	13	3088	460	3548
31-Mar-14	122	882	2210	102	40087	23	13	3352	477	3829
31-Mar-15	120	975	2423	102	45538	16	13	3649	375	4024
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-Dec-17	127	962	2768	102	52971	17	13	3989	406	4395

NOTE:

- (1) Small vehicles are defined as vehicles with carrying capacity up to 2500 kilograms.
- (2) Light commercial vehicles are defined as vehicles with carrying capacity between 2500 kilograms and 7500 kilograms.
- (3) Heavy commercial vehicles are defined as vehicles with carrying capacity of more than 7500 kilograms.
- (4) Used for transportation of automobiles.
- (5) Used for transportation of liquid.
- (6) Cranes are predominantly used for internal operations.

Goods transportation fleet includes :

- 3989 owned vehicles as of December 2017.
- 1049 (26%) vehicles less than 5 years old.
- 3671 (92%) of vehicles are debt free
- 2137 (54%) of vehicles have a book value of Re 1
- Average age of Truck fleet is around 9 years
- Wide range of vehicles with carrying capacity from 1 ton to 32 tons

Passenger transportation fleet includes

- 406 owned vehicles
- 117(29%) vehicles are less than 5 years old
- 353 (87%) of vehicles are debt free
- Average age of Passenger vehicles is 7 yrs

Significance of own vehicles

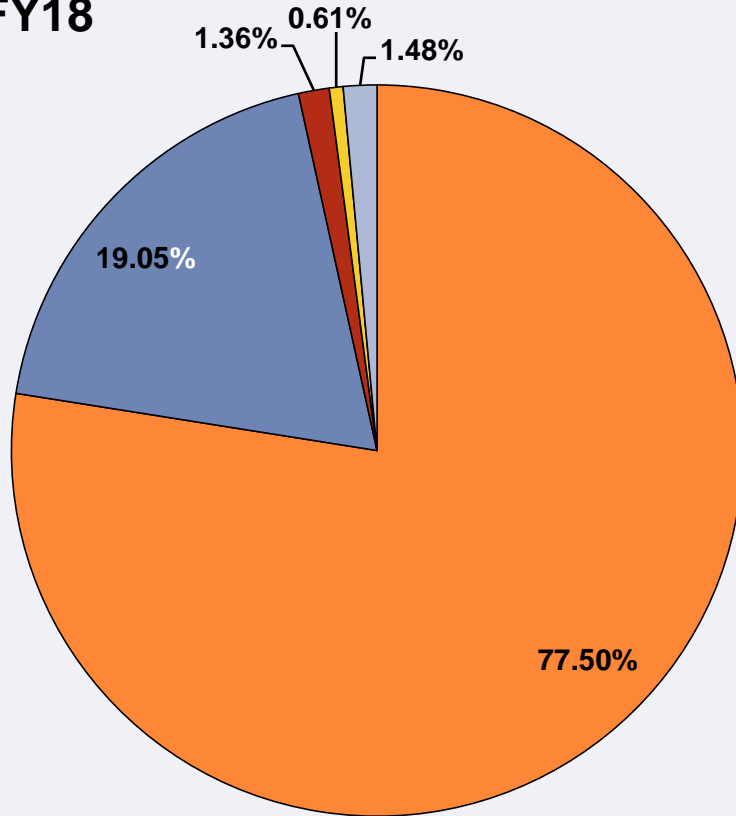
- Enables us to significantly reduce hiring and operational costs
- Enables us to cover a large number of routes and reduce dependence on third party hired vehicles
- Enables better control and time bound delivery thereby enhancing service quality
- Passenger transportation: Owned vehicles enable us to provide safe and on time travel

Total of 4395 owned vehicles provides greater leverage in terms of pricing and service

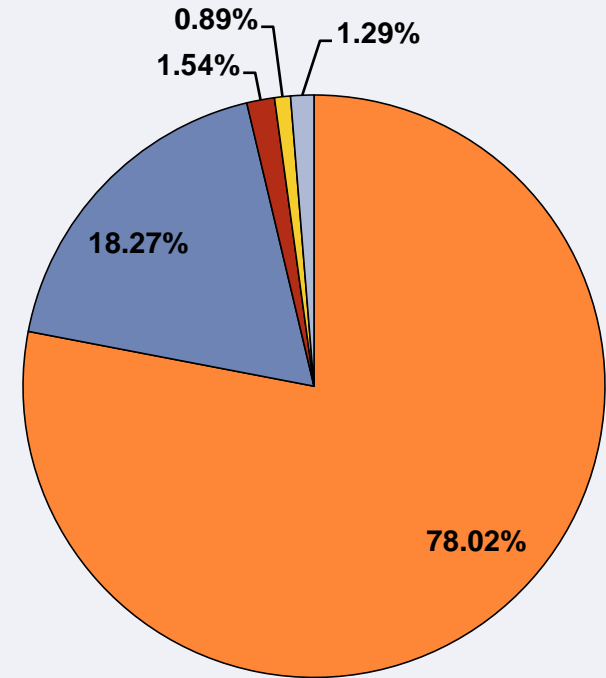
Segment Performance

Segment-wise contribution to total revenue

9M FY18



9M FY17

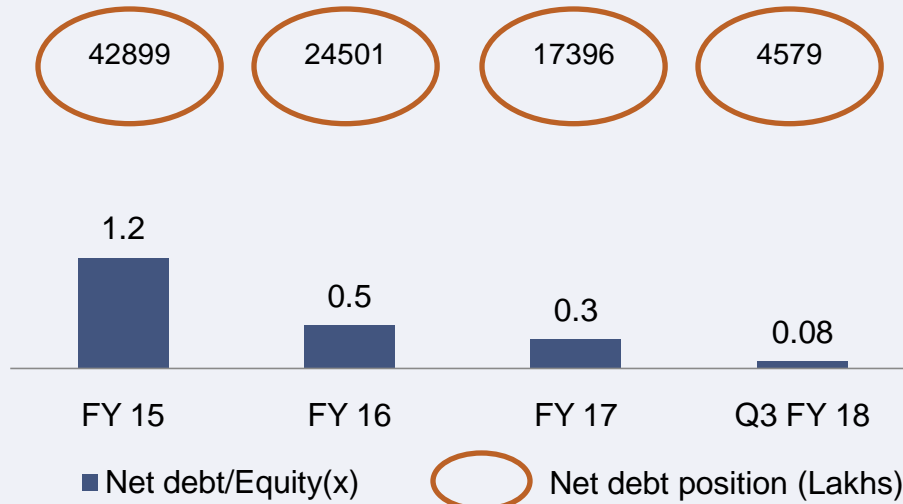


- Goods Transport
- Bus Transport
- Sale of Power
- Air charter
- Others

Goods Transport (77.50%) is the key contributor to total revenue

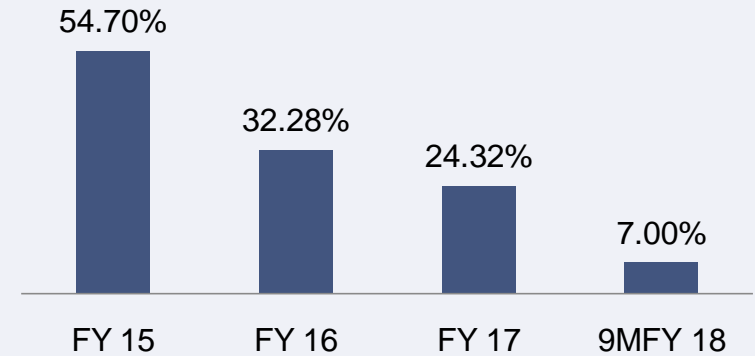
Leverage Metrics

Net Debt to Equity



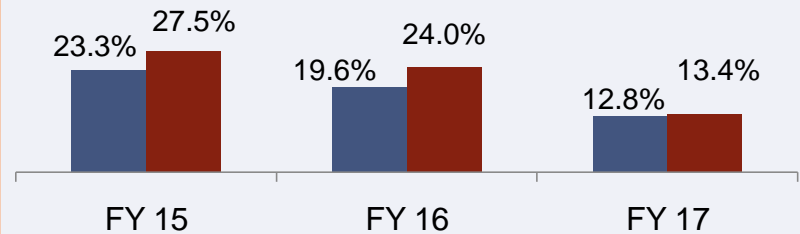
Note : Debt for the above purpose includes non-current borrowings, current borrowings and current maturities of non current borrowings and Interest accrued but not due on borrowings.

Gearing Ratio

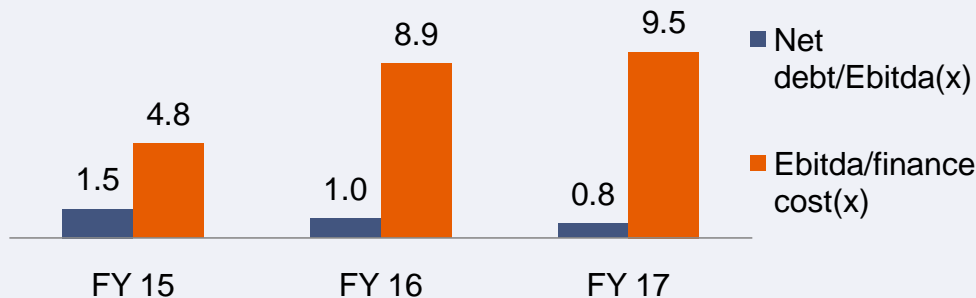


Return Metrics

- Return (Net Profit+finance costs) on average capital employed
- Return (Net Profit) on average equity



Leverage Metrics

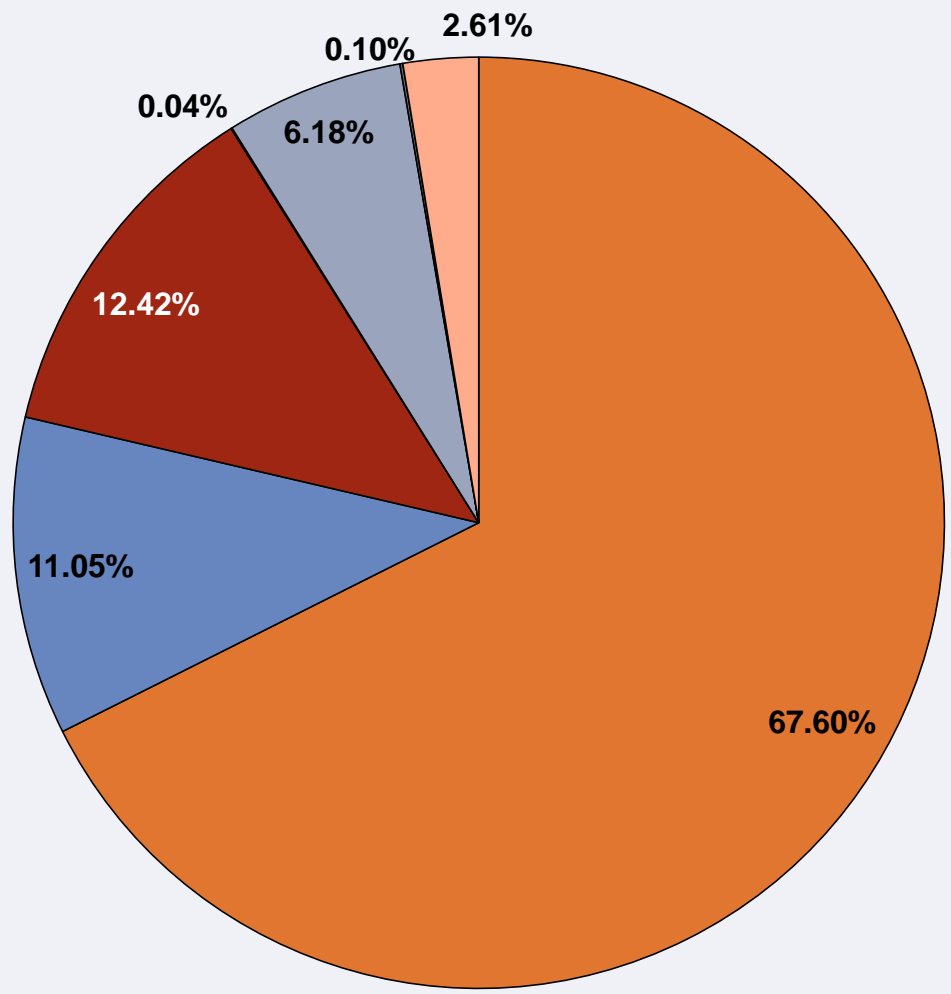


Healthy Capital Structure

Shareholding Pattern as of December 31, 2017



- Promoters
- Mutual Funds
- Foreign Portfolio Investors
- Financial Institutes/Banks
- Public
- NBFC(RBI Registered)
- Others



THANKING YOU



For further discussions/queries Please contact :

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