



VRL LOGISTICS LIMITED

**ANNUAL REPORT
2024-25**



OUR VISION

To become the Premier Company in the country's Surface Logistics Industry and emerge as the torchbearer of less than truck load business in India

OUR MISSION

To provide the highest quality service to our customers by continuously increasing service quality and maintaining delivery deadlines. To encourage our workforce to continuously strive for quality and excellence in everything they do. To promote team work and create work environment that encourages talent and brings out the best in our employees.

QUALITY POLICY

We are committed to provide quality logistics services consistently at reasonable price and to continuously improve the same to achieve customer delight on a sustained basis.

Hubballi Head Office



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DISCLAIMER

This Annual Report may contain certain forward looking statements. Although the Company believes its expectations are based on reasonable assumptions, any such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those predicted. These forward looking statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from those in such statements, many of which are beyond the control of the Company including, among other things, changes in general economic conditions, exchange rate fluctuations, fuel price fluctuations, the impact of business conditions in the Indian market, including those related to competition, price controls and price reductions, exposure to environmental liability, regulatory requirements and the like.

COMPANY INFORMATION

BOARD OF DIRECTORS

Dr. Vijay Sankeshwar
Chairman and Managing Director

Dr. Anand Sankeshwar
Managing Director

Mr. L R Bhat
Executive Director

Mr. Shankar Pinge
Independent Director

Dr. D. V. Guruprasad
Independent Director

Mr. Shantilal Jain
Independent Director

Mr. Virupaxagouda A Patil
Independent Director

Mr. Vinay J. Javali
Independent Director

Dr.(Mrs.) Shailaja Ambli
Independent Director

Mr. Shiva Sankeshwar
Non-Executive Director

Dr. Raghottam Akamanchi
Non-Executive Director

Dr. Ashok Shettar
Non-Executive Director

Sunil Nalavadi
Chief Financial Officer

Aniruddha Phadnavis
Company Secretary & Compliance Officer

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Shantilal Jain - Chairman
Mr. Shankar Pinge
Mr. Vinay J. Javali

FINANCE COMMITTEE

Dr. Vijay Sankeshwar - Chairman
Dr. Anand Sankeshwar
Dr. Raghottam Akamanchi

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Shankar Pinge - Chairman
Mr. Shantilal Jain
Dr. Raghottam Akamanchi

NOMINATION & REMUNERATION COMMITTEE

Mr. Shantilal Jain - Chairman
Dr. D. V. Guruprasad
Dr. Ashok Shettar
Dr.(Mrs.) Shailaja Ambli

CSR COMMITTEE

Dr. Vijay Sankeshwar - Chairman
Dr. Anand Sankeshwar
Mr. Vinay J. Javali
Mr. Virupaxagouda A Patil

ADMINISTRATION COMMITTEE

Dr. Vijay Sankeshwar - Chairman
Dr. Anand Sankeshwar
Dr. Raghottam Akamanchi

RISK MANAGEMENT COMMITTEE

Dr. Vijay Sankeshwar - Chairman
Dr. D. V. Guruprasad
Mr. L R Bhat
Mr. Sunil Nalavadi
Mr. Raghavendra Malgi - Vice President (Accounts)

REGISTERED OFFICE

RS. No.351 /1, Varur, Post Chabbi,
Taluk Hubballi, District Dharwad,
Hubballi - 581 207, Karnataka
Phone: 0836-2237613,
Fax: 0836-2237614
E-mail: varurho@vrllogistics.com
Website: www.vrlgroup.in

STATUTORY AUDITORS

M/s Kalyaniwalla & Mistry, LLP
Chartered Accountants
Mumbai

BANKERS

SVC Co-Operative Bank Ltd.
ICICI Bank Ltd.
Kotak Mahindra Bank Ltd.
Axis Bank Ltd.
The Federal Bank Ltd.
HDFC Bank Ltd.
State Bank of India
Bank of Baroda

CORPORATE OFFICE

Giriraj Annexe, Circuit House Road
Hubballi - 580 029,
Karnataka
Phone: 0836-2237511
Fax: 0836-2256612
E-mail: headoffice@vrllogistics.com

SECRETARIAL AUDITOR

Mr. R Parthasarathy
Practicing Company Secretary
Bengaluru

LEGAL ADVISOR

Mr. R B Gadagkar
Advocate

REGISTRAR & TRANSFER AGENTS

Kfin Technologies Limited.
Selenium Tower B,
Plot No. 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032

INTERNAL AUDITORS

Krishnamurthy Bhat & Co.
Chartered Accountants



CHAIRMAN'S MESSAGE



Dear Members,

I present to you the 42nd Annual Report of your Company, VRL Logistics Limited, covering financial year 2024-25. I commenced Vijayanand Roadlines with a single truck in the year 1976 and we are soon approaching the completion of 50th year of the Company's business. It is a landmark to cherish and indeed your Company has come a long way from its humble beginnings. There is a lot more to come and I envision this business to demonstrate sustained growth in the coming days.

I express my sincere gratitude to our valued stakeholders, including our shareholders, customers, employees, and partners, for their unwavering support and trust in VRL Logistics Limited. It is your continued commitment that keeps us driving to achieve better and more for the Company.

After the hiving off of the non-core activities, the focus of your Company's management has been on strengthening the team handling Goods Transportation across India. I have started extensively traveling across the country and am personally visiting each and every branch with a view to undertake a comprehensive review of our operations including a review of the capabilities of branch and regional heads. Branch infrastructure, routing of consignments, feedback from local customers and every other minute aspect is being looked into in great detail with a view to ensure betterment in operations going ahead. I am also being accompanied by Mr. Shiva Sankeshwar, my grandson and a Non-Executive Director in the Company in these visits.

Equally important is the review of the working of the transhipment hubs. These hubs serve as sorting centres for consignments booked. Goods booked at branches for different destinations are moved to the hub for such sorting. My focus is on building up load at important centres and bigger branches for direct movement of vehicles to destination by minimizing hub routing. This would improve the cost efficiency and reduce transit time. Our entire team is focusing on providing more quality service and towards this end we are minimizing the number of transhipments for consignment movement by aggregating consignments for a longer duration at select transhipments and deploying a direct vehicle to the destination. We have experienced that this leads to a gradual decline in the transit time, improved vehicle utilization and leads to better service.

I have directed all our branches to focus on their local markets and smaller customers to improve business volumes. We will soon again go back to our roots and undertake mass marketing in existing as also newer branch locations for volume growth. We are focusing on identifying profitable freight contracts and extending our quotations for these. Our focus would remain on business which is profitable and adds value to the Company.

During the year, we revised our pricing policy and have rationalized freight rates across the country. The restructured rates resulted in higher freight realization resulting into higher profitability. At the same time, we have ensured that our policies do not end up being rigid and have implemented a suitable escalation matrix enabled through in-house IT to ensure that senior officials can approve rate concessions on a real time basis to capitalize on business volume opportunities.

The aforesaid exercise did result in the withdrawal and cancellation of certain quotations extended to customers resulting in a significant dip in volumes. However, such a decision has also led to a marked improvement in the profitability margins. Our profits have surged and validate the suitability of our decision. We are now geared up for volume growth. We wish to emphatically state here that many customers who left us owing to rationalization of freight rates have experienced the significant quality difference in the service of alternative service providers and are gradually coming back to our fold. We have seen such behaviour in the past too and are sure to retain good customers over the long term. Such confidence emanates from my firm belief in our service quality which is the best in the country.

The manpower review across India focused on identifying individual performing well and promoting such individuals who took initiative for betterment in performance. We are encouraging youngsters to take up more responsibilities and are identifying and motivating talent to lead branches and transhipments. This has necessitated enhancement in emoluments of select individuals on an ongoing basis. We will continue to do so over the near short term. The coming fiscal would also see the implementation of a major salary revision leading to significant rise in the employee emoluments. The same is

however necessary and the gradual growth in our revenues and profits will recoup such increased costs, albeit affecting the margins over the near short term. I firmly believe that a strong, motivated team of efficient individuals compensated well will definitely lead to better-than-expected performance for your Company.

I am insisting on a dynamic organization hierarchy wherein many senior individuals are being trained in all aspects of our business apart from their core activity. This would help in bringing a new perspective to our way of conducting business as also ensure the availability of a well-trained and knowledgeable senior management team to lead the company in the coming days. My entire team is traveling extensively and we are conducting regional level meetings to educate our staff and push them to contribute better for the Company.

Our focus on specialized commodities is yielding good results. We are also focusing on territories and locations which are not serviced by competition and the same is expected to drive volume growth. We are giving close attention to our branch expansion and are exploring branch addition at untapped locations. All of these are expected to yield appreciable results in the long run.

The reduction in e-invoicing thresholds imposed by the Government has benefited organized players like us as compared to the smaller and unorganized transporters who form the majority of the Surface Logistics Industry even today. Customers continue to shift to us and retain their confidence in us after experiencing our services.

We undertook a major capex on the infrastructure front in the year gone by. The acquisition of the erstwhile leased transhipment hub at Bengaluru will lead to significant value addition in the long term. We have also taken up premises at Mangaluru and Mysuru which will surely provide stability to our operations and reduce costs over the long term. We will continue to look at acquisition opportunities in certain key markets for stability and cost savings. During the year the GST changes requisitioned the levy of GST on a reverse charge basis even on rented premises where Lessors did not charge GST. This has brought all our branch offices under the purview of GST. We do not claim GST input due to our opting for the abatement option as a result of which our rental costs have significantly risen during the year and would continue to adversely impact us.

Our focus is on improving the utilization of our owned vehicles and reducing dependency on outside vehicles for longer hauls. A delicate balance needs to be maintained on this aspect as newer branches and new routes do present challenges in deployment of vehicles and committing these to such routes. We have however the requisite wherewithal to deal with these challenges and have put necessary safeguards in place to ensure optimal vehicle utilization. We would approach the impending vehicle capex cautiously and undertake fleet addition selectively over the short term. Minor fleet addition would still be done given the entry restrictions imposed in key areas such as Delhi NCR, Mumbai Metropolitan Region as also the branch specific needs.

Proper planning and preparation ensured that we did not face any congestion at any of our transhipment hubs during the year. Our operations were disturbed during the last year due to labour shortage and we have adapted. Our risk management practices are ever evolving and are working well. Given the inherent nuances associated with the Surface Logistics Industry in India, your Company is prone to disturbances being presented by unhealthy competition, labour shortages, driver shortages, floods, festivals, processions, external strike, severe climatic conditions, contradictory state laws, etc. We do face and deal with these, then and there, in the most suitable way so as to minimize any adverse impact to business.

However, I maintain that our business is not complicated. We book goods, move them and deliver them. There are small aspects to every activity which does not require any specialized skill set. Our operations demand that our staff demonstrate alertness, vigilance, common sense and dedication to the tasks assigned to them. We have roped in M/s Price Waterhouse to study select core processes and identify improvement opportunities and implement desirable process changes to further improve on our efficiency. Mr. Shiva Sankeshwar, Non-Executive Director along with Mr. L R Bhat, Executive Director, who also heads the Information Technology function, are working closely with the team for this effort. This exercise will be spread over six months and start yielding results over the long term.

Your Company is committed to minimizing its environmental footprint and promoting sustainable practices. We continue to actively explore alternative fuels, electric vehicles, and renewable energy sources to reduce emissions and promote greener logistics. We continue to deploy environment friendly Electric and CNG vehicles for intra city and short haul movements. Our efforts on rain water harvesting also yielded encouraging results during the year gone by. As a responsible corporate entity, we have proactively embraced the government's vehicle scrappage policy. By replacing older vehicles with newer, more fuel-efficient, and environmentally friendly models, we have not only reduced emissions but also improved the overall efficiency of our fleet. This initiative aligns with our commitment to sustainability and reinforces our dedication to preserving the environment for future generations.

We remain focused on the road ahead and our commitment to challenge internal benchmarks, improve utilization and efficiency of existing resources, technological improvements, customer satisfaction, and sustainable growth will continue to drive us forward. We will seek to invest in latest technologies, expand our service offerings, and explore newer geographies for volume growth. I remain confident of your Company's ability to sustain business growth and set new benchmarks in the industry.



Considering the business performance achieved, we declared an interim dividend of ₹ 5/- per share which is being further supplemented with an additional final dividend of ₹ 10/- per share. We have also completed a decade of listing on the stock exchanges and to commemorate the same, I have pushed the Board to consider a Bonus issue as a reward to the shareholders. I firmly opine that our business performance and growth in the coming years will add value to our shareholders.

I would again put it on record that our employees, by virtue of their hard work and commitment, remain the most valuable asset of VRL and that I acknowledge and salute the contribution of each employee and look forward to improved enthusiastic involvement of one and all for the future.

Lastly, I wish to assure you that myself and the entire management team of your Company will continue to dedicate ourselves to focus on business growth and parallelly drive innovation, foster strong relationships with all our stakeholders and create sustainable value for the future.

Warm regards,

DR. VIJAY SANKESHWAR
CHAIRMAN & MANAGING DIRECTOR

VRL LOGISTICS LIMITED

**Regd. Office: RS No. 351/1, Varur, Post Chabbi, Taluk Hubballi,
District Dharwad, Hubballi (Karnataka) - 581 207
(18th KM, NH-4, Bengaluru Road, Varur)**

**Tel: 0836 2237613, Fax: 0836 2237614, Email: investors@vrllogistics.com
CIN: L60210KA1983PLC005247, Website: www.vrlgroup.in**

NOTICE

NOTICE is hereby given that the Forty Second Annual General Meeting of **VRL Logistics Limited** (“Company” or “VRL”) will be held on Wednesday, August 6, 2025 at 1:00 p.m. at the Registered Office of the Company situated at RS No.351/1, Varur, Post Chabbi, Taluk Hubballi, District Dharwad, Hubballi – 581 207(18th KM, NH-4, Bengaluru Road, Varur, Hubballi – 581207), Karnataka to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements as at 31st March 2025 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Shiva A Sankeshwar (DIN: 09236519) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Dr. Ashok Shettar (DIN: 07038714) who retires by rotation and being eligible, offers himself for re-appointment.
4. To approve and confirm interim dividend of Rs. 5/- per share paid on Equity share capital of the Company and to declare a further final dividend of ₹ 10 per equity share having face value of ₹ 10/- each for the financial year ended 31st March, 2025.

SPECIAL BUSINESS

Revision of remuneration payable to Mr. L R Bhat (DIN 01875068), Executive Director

5. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of section 196, 197, 198 & 203 read with Schedule V to the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act 2013, including any statutory modification(s) or re-enactment(s) thereof and subject to such other approvals, permissions, sanctions as may be necessary and pursuant to the recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, consent of the members be and is hereby accorded for payment of Remuneration of Rs.16,50,350/- per month to Shri L R Bhat (DIN 01875068), Whole-time Director of the Company w.e.f August 4, 2025 for the remaining tenure of his appointment, on the same terms and conditions as per the earlier agreement entered into by him with the Company with liberty and authority to the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, to alter and vary the terms and conditions of the said appointment, including such remuneration, from time to time within the scope and in compliance with Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of Directors and Mr. L R Bhat;

RESOLVED FURTHER THAT the aforesaid remuneration shall be construed as minimum remuneration in the absence of profits/ inadequate profits, except that the overall remuneration including perquisites will be restricted to the maximum permissible limit as per Schedule V;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Appointment of Statutory Auditors

6. To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on the recommendation of the Audit Committee and the Board of Directors, and a Notice having been received from a member, M/s. Walker Chandiok & Co, LLP, Chartered Accountants, Mumbai, bearing Firm Registration No. 001076N/N500013, be and are hereby appointed as the Statutory Auditors of the Company, in the place of retiring Auditors, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai, to hold office for a term of five years from the conclusion of the 42nd Annual General Meeting (AGM) of the Company, on a remuneration of ₹ 75 Lakhs, exclusive of taxes and reimbursements; such remuneration being fixed for an initial period of (2) two financial years, with an authority being given to the Board of Directors, on the recommendation of the Audit Committee to review and fix the remuneration for subsequent years in consultation with the Auditors without being required to seek any further consent or approval of the members of the Company;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose."

Appointment of Secretarial Auditor

7. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and in accordance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, based on the recommendation of the Audit Committee and the Board of Directors, consent of the members be and is hereby accorded for appointment of Mr. R. Parthasarathy, Practicing Company Secretary, Bengaluru [ACS 3667, CP No.838], as the Secretarial Auditor of the Company for a period of five (5) years commencing from the Financial Year 2025-26 at remuneration of ₹ 6,50,000 exclusive of taxes and reimbursements, such remuneration being fixed for an initial period of (2) two financial years, with an authority being given to the Board of Directors, on the recommendation of the Audit Committee to review and affix the remuneration for subsequent years in consultation with the Secretarial Auditor without being required to seek any further consent or approval of the members of the Company."

Alteration of Capital clause in the Memorandum of Association

8. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded for reclassification of the existing Authorized Share Capital of the Company totalling ₹ 237,00,00,000/- (Rupees Two hundred thirty

seven crores) comprising of ₹ 125,00,00,000/- (Rupees One Hundred and Twenty Five Crore only) divided into 12,50,00,000 (Twelve crore fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten) each and ₹ 112,00,00,000/- (Rupees One hundred twelve Crores only) divided into 112,00,000 (One crore twelve Lakhs) Compulsorily and mandatorily convertible participatory Preference Shares of ₹ 100/- (Rupees Hundred) each, to ₹ 237,00,00,000/- (Rupees Two hundred thirty seven Crore only) comprising of 23,70,00,000 (Twenty three crore seventy lakhs) Equity Shares of ₹ 10/- (Rupee Ten) each;

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company, relating to the Share Capital be and is hereby altered by deleting the same and substituting in its place and stead, the following new Clause V:

'V. The Authorized Share Capital of the Company is ₹ 237,00,00,000/- (Rupees Two hundred thirty seven crore only) divided into of 23,70,00,000 (Rupees twenty three crore seventy lakh only) Equity Shares of ₹ 10/- (Rupees Ten) each, with all rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company, with the power to the Board to increase or reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be permissible by law and as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges, or conditions in such manner as may be permitted by the Act or provided by the Articles of Association of the Company.'

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Memorandum of Association and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

Issue of Bonus Shares

9. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT in accordance with the provisions of Section 63 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Foreign Exchange Management Act, 1999 ("FEMA") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations, rules and guidelines issued by SEBI and the Reserve Bank of India ("RBI") from time to time, the Articles of Association of the Company and subject to such further approvals as may be necessary, consent of the members be and is hereby accorded and authority be and is hereby granted to the Board of Directors of the Company (hereinafter referred to as 'Board', which term shall include any duly constituted committee empowered by the Board to exercise its powers including powers conferred under this resolution) for issue and allotment of 8,74,68,495 equity shares of Rs.10/- each (fully paid) as bonus shares credited as fully paid-up to the existing shareholders whose names appear in the Register of Members / Register of Beneficial Owners on a 'Record Date' to be determined by the Board for this purpose, in the ratio of 1:1 by capitalizing an amount of ₹ 87,46,84,950/- (Rupees eighty seven crore forty six lakhs eighty four thousand nine hundred and fifty only) out of the existing securities premium received in cash and / or general reserve and / or capital redemption reserves and/or retained earnings of the Company, as deemed appropriate and that the new bonus equity shares so issued and allotted shall, rank pari-passu with existing equity shares for all purposes and the new bonus equity shares shall be treated for all purposes as an increase of the nominal amount of the equity share capital of the Company held by each of such member and not as income;

RESOLVED FURTHER THAT the bonus equity shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company as existing on the Record Date and carry the same rights as the existing fully paid-up equity shares of the Company;

RESOLVED FURTHER THAT the bonus equity shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company;

RESOLVED FURTHER THAT in accordance with the ICDR Regulations, the new equity shares to be allotted pursuant to the bonus issue shall be allotted in dematerialized form only and shall be credited to the respective beneficiary accounts of the members with their respective Depository Participant(s) and no letter of allotment shall be issued to the allottees of newly issued bonus shares;

RESOLVED FURTHER THAT the issue and allotment of the bonus equity shares to Non-Resident Members, Foreign Portfolio Investors / Foreign Institutional Investors and other Foreign Investors, shall be subject to the approval, if any, of RBI under the FEMA or any other regulatory authority and other applicable rules/regulations/ guidelines issued/amended by RBI from time to time, in this regard;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchanges where the equity shares of the Company are presently listed as per the provisions of the Listing Regulations and other applicable regulations, rules and guidelines;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company or any committee constituted by the Board and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects;

RESOLVED FURTHER THAT any Director of the Board and/or Key Managerial Personnel of the Company be and is hereby severally authorized to perform and execute all acts, deeds, and matters necessary or expedient to give effect to this resolution and this authorization includes, but is not limited to, filing necessary forms, documents, and returns with relevant authorities such as the Registrar of Companies, SEBI, Stock Exchanges, RBI, NSDL, CDSL, and the R&TA of the Company, depositing requisite fees, and ensuring compliance with all related requirements or incidental matter."

**By order of the Board of Directors
For VRL LOGISTICS LIMITED**

ANIRUDDHA PHADNAVIS
Company Secretary & Compliance Officer
Date: July 10, 2025

NOTES

PROXY RELATED

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend, and on a poll, to vote instead of himself/herself and such proxy need not be a member of the company.
2. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty-Eight) hours before the time of the meeting. Proxies submitted on behalf of companies & other entities must be supported by appropriate resolution / authority, as applicable. During the period beginning 24 hours before the time fixed for the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of advance notice in writing is given to the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty in number and holding in aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

DIVIDEND RELATED

4. The Board of Directors, at its meeting held on November 13, 2024, had declared an interim dividend of ₹ 5/- per share. The Board of Directors, at its meeting held on May 21, 2025, has recommended a further dividend of ₹ 10 per equity share for FY 2024-25 for the approval of members at the 42nd AGM of the Company.
5. Pursuant to the provisions of regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations'), the Company has fixed July 30, 2025 as the 'Record Date' for the purpose of determining the members eligible to receive dividend for Financial Year 2024-25.
6. Subject to the provisions of section 126 of the Act, final dividend on equity shares, if declared, at the AGM, will be paid on or before August 30, 2025.
7. As per the SEBI Listing Regulations and pursuant to SEBI circular dated 20 April 2018, a listed entity shall use any electronic mode of payment approved by the Reserve Bank of India for making payment to the members. Accordingly, dividend, if declared will be paid through electronic mode, where the bank account details of the members are available. Where dividend is paid through electronic mode, intimation regarding such remittance will be sent separately to the members. In case where the dividend could not be paid through electronic mode, payment will be made through a physical instrument such as banker's cheque or demand draft incorporating bank account details of such members.
8. To ensure timely payment of dividend, members are requested to notify change in their address or particulars of their bank account, if any, to the Registrar and Share Transfer Agent ('KFin') or in case of demat holding to their respective Depository Participants ('DPs').

E-VOTING RELATED

9. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment, Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility of remote e-voting to all members. The complete instructions on e-voting facility provided by the Company are annexed to this Notice, explaining the process of e-voting. Such remote e-voting facility is in addition to the voting that may take place at the Annual General Meeting ('AGM') on August 6, 2025.
10. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company a duly certified true copy of the Board Resolution/letter of authority, authorizing their representative(s) to attend and vote on their behalf at the AGM.
11. Any member proposing to seek any clarification on the annual report is requested to send queries to the Company at its registered office at least seven days prior to the date of AGM to enable the Management to compile the relevant information to reply the same in the meeting.

12. Voting rights shall be reckoned on paid-up value of shares registered in the name of the member / beneficial owner as on the cut-off date i.e. July 30, 2025.
13. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. July 30, 2025 only shall be entitled to avail the facility of remote e-voting/voting at the AGM.
14. The remote e-voting facility will be available during the following period:
Commencement of remote e-voting: From 9.00 a.m. (IST) on August 3, 2025.
End of remote e-voting: At 5.00 p.m. (IST) on August 5, 2025
The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin upon expiry of the aforesaid period.
15. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.vrlgroup.in and on the website of KFin <https://evoting.Kfintech.com>. The results shall simultaneously be communicated to the Stock Exchanges.

INSPECTION OF DOCUMENTS RELATED

16. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, and a copy of Company's MOA and AOA will be available for inspection by the members during the Annual General Meeting of the Company. Also, a draft copy of the modified Memorandum of Association would be available for inspection by the members as stated above.
17. The said Notice of AGM along with the Annual Report, Attendance Slip and Proxy Form have been sent to Members whose names are recorded in the Register of Members / Register of Beneficial owners as on July 4, 2025, by permitted / requisitioned mode individually at their registered postal address / sent electronically at their e-mail address available with the Company or with the Depository Participant(s).
18. The Notice calling the 42nd AGM has been uploaded on the website of the Company in the **Investor Desk section** under **Notice, Forms & Voting results** tab. The Annual Report is also available under the **Financial Results** under the **Annual Reports** tab. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively.
19. Members are requested to bring their copy of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number/ demat account number/DP ID-Client ID to enable us to provide a duly filled attendance slip for participation at the meeting.
20. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
21. Members are requested to write their Client ID and DP ID in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
22. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time with their respective Depository Participants ('DP's').

PAN, KYC DETAILS AND NOMINATION UPDATE

23. The Members are requested to:
 - (a) Notify immediately any change in their registered address to their DP's in respect of their holdings in electronic form.

- (b) Non-Resident Indian Members are requested to inform their respective DP's immediately of the change in their residential status on return to India for permanent settlement.
- (c) Register their email address/bank details/mobile number and changes therein from time to time with their respective DP's.
- (e) Quote their DPID & Client ID in all correspondence, including dividend related matters to the Registrar and Share Transfer Agents, KFin Technologies Limited. (Unit: VRL Logistics Ltd.), Plot 31-32, Selenium Tower B, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
- (f) Any person, who acquires shares of the Company and become a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., July 30, 2025 may obtain the login id and password by sending a request at evoting@kfintech.com.
24. In accordance with the provisions of Section 72 of the Companies Act, 2013, read with Rule 19(1) of the Rules made thereunder, members are entitled to specify nominations in respect of the Equity Shares held by them.
25. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they maintain their demat accounts.
26. In support of the Green initiative by Ministry of Corporate Affairs and pursuant to section 101 of the Companies Act 2013 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, electronic copy of the Annual Report is being sent to all Members whose email ID's are registered with the Depository Participants for communication purposes unless a member has requested for a hard copy of the same. For members, who have not registered their email address, physical copies of the Annual Report are being sent to them in the permitted / requisitioned mode to their address registered with their DP's and RTA.

IEPF RELATED

27. Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account, is liable to be transferred by the Company to the "Investor Education Protection Fund" (IEPF) established by the Central Government under the provisions of Section 125 of the Companies Act, 2013.

GENERAL INSTRUCTIONS FOR MEMBERS/PROXIES

28. In terms of Article 100 of the Articles of Association of the Company, Mr. Shiva A Sankeshwar, Non-Executive Director and Dr. Ashok Shettar Non-Executive Director who retire by rotation and being eligible, offer themselves for re-appointment.
29. Information required under Regulation 36 of the SEBI Listing Regulations, Directors and Auditors seeking Appointment/Reappointment at the AGM are furnished as annexure to this Notice. The Directors and Auditors have furnished consent/declarations for their appointment/re-appointment as required under the Act and rules made thereunder.
30. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
31. The Board of Directors has appointed Mr. Akshay Pachlag, Practicing Company Secretary (Membership No.30741, COP No: 11710) as the Scrutinizer to scrutinize the voting process in a fair and transparent manner and he has communicated his willingness to be appointed.
32. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their respective demat account in order to access such e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL	Individual Shareholders holding securities in demat mode with CDSL
<p>1. User already registered for IDeAS facility:</p> <ul style="list-style-type: none"> a. Visit URL: https://eservices.nsdl.com b. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. c. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” d. Click on the e-Voting service provider name KFIN and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDeAS e-Services</p> <ul style="list-style-type: none"> a. To register click on link : https://eservices.nsdl.com b. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp c. Proceed with completing the required fields. d. Follow steps given in point 1. <p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <ul style="list-style-type: none"> a. Open URL: https://www.evoting.nsdl.com b. Click on the icon “Login” which is available under ‘Shareholder/ Member’ section. c. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. d. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e. KFin. e. On successful selection, you will be redirected to KFin e-Voting page for casting your vote during the remote e-Voting period. 	<p>1.Existing user who have opted for Easi / Easiest</p> <ul style="list-style-type: none"> a. Visit URL: https://web.cDSLindia.com/myeasi/home/login or URL: www.cDSLindia.com b. Click on New System Myeasi c. Login with your registered user id and \ password. d. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFin e-Voting portal. e. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ul style="list-style-type: none"> a. Option to register is available at https://web.cDSLindia.com/myeasi/Registration/EasiRegistration b. Proceed with completing the required fields. c. Follow the steps given in point 1 <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ul style="list-style-type: none"> a. Visit URL: www.cDSLindia.com b. Provide your demat Account Number and PAN. c. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. d. After successful authentication, user will be provided links for the respective ESP, i.e. KFin where the e-Voting is in progress.

Individual Shareholders can login through their demat accounts / Website of Depository Participant

1. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility.
2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
3. Click on options available against company name or e-Voting service provider – Kfin and you will be redirected to e-Voting website of KFin for casting your vote during the remote e-Voting period without any further authentication.

Important note:

Members who are unable to retrieve User ID / Password are advised to use “Forgot user ID” and “Forgot Password” option available on the above-mentioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

NSDL	CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending email request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending email request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43/1800-21-09911

TDS RELATED INSTRUCTIONS FOR MEMBERS ON DIVIDEND

Pursuant to section 194 of the Income-tax Act, 1961 ('the Act'), dividend declared, paid or distributed by a Company shall be taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct TDS/ WHT at the time of payment of dividend at the applicable tax rates. The rates of TDS/ WHT would depend upon the category and residential status of the shareholder as briefed hereunder:

RESIDENT SHAREHOLDERS:

No TDS under Section 194 of the Income Tax Act, 1961 will be deducted on payment of dividend to Resident Individual Shareholders if the total dividend, paid during financial year ('FY'), does not exceed Rs. 10,000/- (Ten Thousand Only).

TDS for Resident Shareholders other than Resident Individual Shareholders receiving Dividend not exceeding Rs. 10,000/- (Ten Thousand Only) during the Financial Year as summarized below:

Sl. No.	Particulars	Withholding Tax Rate/TDS	Declaration(s)/Document(s) Required
1	In case of Valid PAN is updated with the Depository Participant.	10%	Not Applicable
2	In case of Invalid PAN with the Depository Participant.	20%	Not Applicable
3	In case of availability of lower/ nil tax deduction certificate issued by Income Tax Department under section 197 of the Income Tax Act, 1961	Rates specified in Lower Tax withholding certificate	<ul style="list-style-type: none"> • Copy of the Pan Card; • copy of Lower Tax withholding certificate

No tax would be deducted on the dividend payment to Resident Shareholders if the Shareholders submit documents mentioned in the below table to the Company/ Registrar and Share Transfer Agent:

Sl. No.	Particulars	Declaration(s)/Document(s) Required
1	In case of an Individual furnishing Form 15G/ 15H	<ul style="list-style-type: none"> Copy of PAN card Declaration in Form No 15G (applicable to an individual who is less than 60 years)/ Form 15H (applicable to an Individual who is 60 years and above), fulfilling the prescribed conditions.
2	Shareholders/Members to whom section 194 of the Act does not apply such as LIC, GIC, etc.	<ul style="list-style-type: none"> Copy of PAN card Self-declaration* along with adequate documentary evidence (e.g., registration certificate) to the effect that the no tax withholding is required as per provisions of section 194 of the Act.
3	Shareholder covered u/s 196 of the IT Act, 1961 such as Government, RBI, Mutual Funds specified under section 10(23D), corporations established by Central Act and exempt from Income Tax.	<ul style="list-style-type: none"> Copy of PAN card Self-declaration* along with adequate documentary evidence (substantiating applicability of u/s 196 of the IT Act,1961.
4	Category I and II Alternative Investment Fund (AIF)	<ul style="list-style-type: none"> Copy of PAN card Self-declaration* that AIF's income is exempt under Section 10(23FBA) of the Act and they are governed by SEBI regulations as applicable to Category I or Category II AIFs, along with copy of registration certificate.
5	Any other entity exempt from withholding tax under the provisions of section 197A of the Act (including those mentioned in Circular No. 18/2017 issued by CBDT)	<ul style="list-style-type: none"> Copy of PAN card Self-declaration* along with adequate documentary evidence, substantiating the nature of the entity. Copy of the lower tax withholding certificate obtained from Income Tax Department (except those covered by Circular 18/2017)

NON-RESIDENT SHAREHOLDERS:

Details of documentation required for Tax deductible at source/ tax withholding for the Non-Resident Shareholder are summarized below:

Sl. No.	Category	Withholding Tax Rate/TDS	Declaration(s)/Document(s) Required
1	Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs)\$	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	<ul style="list-style-type: none"> Copy of PAN card (if available) Self-declaration* along with adequate documentary evidence substantiating the nature of the entity To get the beneficial rate of tax treaty, tax documents as mentioned in Point. No. 3 below would be required to be submitted.
2	Alternative Investment Fund – Category III located in International Financial Services Centre	10% (plus applicable surcharge and cess)#	<ul style="list-style-type: none"> Copy of PAN card (if available) Self-declaration* along with adequate documentary evidence substantiating the nature of the entity

3	Other Non-resident shareholders (except those who are tax residents of Notified Jurisdictional Area)	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	<p>To get the beneficial rate of tax treaty following tax documents would be required:</p> <ul style="list-style-type: none"> • Copy of PAN card (if available) • Copy of Tax Residency certificate(TRC) issued by revenue authority of country of residence of shareholder for the financial year 2024-25 (covering the period from April 1, 2024 to March 31, 2025) • Self-declaration* in Form 10F • Self-declaration* for no permanent establishment/ fixed base/ business connection in India, place of effective management, beneficial ownership and eligibility to avail tax treaty benefit [on shareholder's letterhead] <p>(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholders. In case the documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty).</p>
4	Non - Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the IT Act,1961	30%	Not Applicable
5	Sovereign Wealth funds and Pension funds notified by Central Government u/s 10(23FE) of the IT Act,1961	NIL	<ul style="list-style-type: none"> • Copy of the notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India. • Self-declaration* that the conditions specified in section 10(23FE) have been complied with.
6	Availability of Lower/ NIL tax deduction certificate issued by Income Tax Department u/s 195 or 197 of the IT Act,1961	Rate specified in Lower tax withholding certificate obtained from IT Department	<ul style="list-style-type: none"> • Copy of the lower tax withholding certificate obtained from Income Tax Department

*Copies of self - declarations can be emailed to investors@vrllogistics.com

In case PAN is not updated with the Company's RTA or depository or PAN is not available and information sought in the declaration is not provided, higher rate of withholding tax as per section 206AA shall be applied. The above mentioned rates will be subject to applicability of Section 206AB of the IT Act, 1961.

\$In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI), whichever is more beneficial, subject to the submission of the above documents.

Notes:

1. Duly completed and signed documents should be provided to the Company/ RTA. Incomplete and/ or unsigned forms and declarations will not be considered by the Company. Further, in case, where copies of documents (such as, PAN card, Registration certificate, etc.) is provided, the copy should be self-attested by the Shareholder or its authorized signatory.
2. The aforesaid documents such as Form 15G/ 15H/10F, documents under sections 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be emailed to investors@vrllogistics.com on or before Wednesday, July 30, 2025 to enable the Company to determine the applicable TDS rate. Any communication in relation to tax rate determination/ deduction received post Wednesday, July 30,2025 shall not be considered. It is advisable to send the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates.
3. Determination of withholding tax rate is subject to necessary verification by the Company of the shareholder details as available with the Depository Participant as on the Record Date and other documents available with the Company/ RTA. Shareholders holding shares under multiple accounts under different residential status/ category and single PAN, may note that, higher of the tax rate as applicable to different residential status/ category will be considered for their entire shareholding under different accounts.
4. In case of any discrepancy in documents submitted by the shareholder, the company will deduct tax at higher rate as applicable, without any further communication in this regard.
5. We request you to submit / update your bank account details with your Depository Participant.
6. In case withholding tax is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund. No claim shall lie against Company for any taxes deducted by the Company.
7. The certificate in respect of tax deducted at source, if any, will be emailed directly to the investors. You will also be able to view the credit of TDS in Form 26AS, which can be downloaded from your e-filing income tax portal.
8. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any tax proceedings.
9. Kindly note that Individual resident shareholders are requested to link their Aadhar number with their PAN in terms of the provisions of Section 139AA(2) read with Rule 114AAA of the Income Tax Act 1961. If any PAN is found to be unlinked with Aadhar, such PAN will be deemed invalid and tax at source will be deducted at higher rates u/s 206AA of the Act.
10. Income Tax Act, 1961 has inserted section 206AB w.e.f 1st July 2021 wherein if the shareholder has not submitted the PAN as well as not filed the return; tax will be deducted at higher of the two rates prescribed in these sections and provisions of the Income Tax Act,1961.
11. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.
12. In case of any query in the matter please reach out at investors@vrllogistics.com.

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013)

ITEM-5

Members are informed that at the 39th Annual General Meeting of the Company held on August 10, 2022, Mr. L R Bhat was re-appointed as a Whole-time Director of the Company w.e.f. August 4, 2022 for a period of 5 (Five) years at remuneration of ₹ 13,50,350/- per month, such remuneration being fixed for an initial period of 3 (three) years with an authority being given to the Board of Directors to vary such remuneration based on the recommendation of the Nomination and Remuneration Committee. The Company had entered into an agreement with Mr. L R Bhat on August 10, 2022 setting out the powers and responsibilities for his role covering other terms and conditions of such appointment. Subsequently the Management, on recommendation of the Nomination and Remuneration Committee (the NRC) had revised remuneration to ₹ 15,00,350/- per month w.e.f. April 1, 2024, and further revised the remuneration to ₹ 16,50,350/- per month w.e.f. April 01, 2025. Pursuant to Sections 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, given that the initial three years of his appointment would conclude on August 4, 2025, the Company would need to affix remuneration for the balance period of his tenure of two years with the approval of the members. The Company proposes to continue the remuneration of ₹ 16,50,350/- per month with an authority to the Board of Directors, on the recommendation of the NRC, to revise such remuneration and also that the said remuneration be considered as minimum remuneration to be paid in the event of inadequacy of profits or loss.

As per requirement of the Schedule V of the Companies Act 2013 and its applicable provisions and rules made thereunder members approval by way of special resolution is required for payment of minimum remuneration to a Whole-time Directors in case the same is in excess of limits prescribed under the Companies Act, 2013 in case of inadequate profits/ absence of profits.

The Nomination & Remuneration Committee and Board of Directors of the Company at their respective meetings held on May 21, 2025 have approved remuneration payable to Mr. L R Bhat for the remaining tenure of his appointment. The remuneration being paid to him is proposed to be continued as it is, details whereof are given below and the said remuneration be treated as the minimum remuneration payable to them going ahead.

Additional disclosure as mandated under Schedule V of the Companies Act, 2013 for payment of remuneration in the event of inadequate profits/ absence of profits for Item No 5 are included in the Notice as Annexure B hereto.

The Board recommends the resolution for the remuneration payable to Mr. L R Bhat, Whole-time Director of the Company for approval of the members as a **Special Resolution**.

Except Mr. L R Bhat, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s), set out at Item No. 5 of this Notice.

ITEM-6

APPOINTMENT OF M/S. WALKER CHANDIOK & CO LLP, CHARTERED ACCOUNTANTS, MUMBAI, (FIRM REGISTRATION NO. 001076N/N500013) AS THE STATUTORY AUDITORS OF THE COMPANY

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai (Firm Registration No. 104607W/W100166), the present Statutory Auditors of the Company, were appointed as auditors for a term of five years at the 37th Annual General Meeting to hold office upto the conclusion of the **42nd Annual General Meeting**, in accordance with Section 139(2) of the Companies Act, 2013.

In compliance with provisions of Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and based on the recommendation of the Audit Committee and the Board of Directors, it is now proposed to appoint M/s. Walker Chandiok & Co LLP, Chartered Accountants, Mumbai (Firm Registration No. 001076N/N500013) as the Statutory Auditors of the Company for a period of five (5) years to hold office upto the conclusion of the 47nd AGM, in the place of retiring Auditors. A Notice has been received from a member suggesting the appointment of new Auditors in the place of retiring Auditors.

M/s. Walker Chandiok & Co LLP have consented to such appointment and have confirmed that they satisfy the eligibility criteria specified under Section 141 of the Companies Act, 2013, and that their appointment, if made, would be within the limits prescribed under the Act. They have also provided a confirmation to the effect that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid peer review certificate.

The Board is of the opinion that the appointment of M/s. Walker Chandiok & Co LLP would be beneficial to the Company, given their experience and professional standing.

In compliance with Regulation 33 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable SEBI circulars w.r.t. to such appointment and related disclosures, the appointment of the Statutory Auditors, including remuneration and tenure, must be disclosed to and approved by the shareholders. The necessary disclosures in this regard are provided herein as under –

The remuneration proposed is ₹ 75 lakhs per annum fixed for an initial period of two years, exclusive of taxes and reimbursements. The Board of directors is proposed to be empowered, in consultation with the Audit Committee, to subsequently revise such remuneration in consultation with the Auditors. It is pertinent to note here that the said firm had served as the Statutory Auditors of the Company for more than a decade in the past and was also involved in providing applicable attest services in connection with the listing of the Company's shares in the stock exchanges in India during 2015. Needless to say, the said firm is one of the leading as also the most reputed firms in the country offering their services to leading corporates in India and worldwide. The remuneration agreed is commensurate with the size of the Company's business and the stature of the Firm and is not materially different from the remuneration being presently paid to the existing Statutory Auditors.

The Board recommends the resolution for the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants, Mumbai as Statutory Auditors of the Company for approval of the members as a **Special Resolution**.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s), set out at Item No. 6 of this Notice.

ITEM-7

TO CONSIDER APPOINTMENT OF MR. R. PARTHASARATHY AS SECRETARIAL AUDITOR OF THE COMPANY

In compliance with the Regulations 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board of Directors, at its meeting held on May 21, 2025, upon the recommendation of the Audit Committee, has recommended the appointment of **Mr. R. Parthasarathy**, Practicing Company Secretary (ACS : 3667, CP No. 838), as the Secretarial Auditor of the Company for a term of five (5) years, commencing from the financial year 2025–26. He is presently serving as the Secretarial Auditor of the Company.

In terms of Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to annex a Secretarial Audit Report, given by a Practicing Company Secretary, along with its Board's Report. Further, Regulation 24A of SEBI (LODR) Regulations, 2015, as amended by SEBI notifications and circulars (including SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019), mandates appointment of Secretarial Auditors of the Company.

Mr. R. Parthasarathy is an Associate Member of the Institute of Company Secretaries of India (ICSI) since 1986, He has extensive experience in corporate law, governance and regulatory compliances. Based on his professional qualifications, experience and independence, the Board recommends his appointment as the Secretarial Auditor of the Company. The Board is of the opinion that such appointment would be beneficial to the Company, given his experience and professional standing.

In compliance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable SEBI circulars w.r.t. to such appointment and related disclosures, the appointment of the Secretarial Auditor, including his remuneration and tenure, must be disclosed to and approved by the shareholders. The necessary disclosures in this regard are provided herein as under –

The remuneration proposed is ₹ 6,50,000 per annum fixed for an initial period of two years, exclusive of taxes and reimbursements. The Board of directors is proposed to be empowered, in consultation with the Audit Committee, to subsequently revise such remuneration in consultation with the Secretarial Auditor. The remuneration fixed is commensurate with his qualification, experience, the size of the company's business and the remuneration being paid to him in his capacity as the Secretarial Auditor.

The Board recommends the resolution for his appointment for approval of the members as an **Ordinary Resolution**.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s), set out at Item No. 7 of this Notice.

ITEM-8**RECLASSIFICATION IN THE AUTHORIZED SHARE CAPITAL AND CONSEQUENT ALTERATION OF MEMORANDUM OF ASSOCIATION**

The Existing Authorized Share Capital of the Company is ₹ 237,00,00,000/- (Rupees Two hundred thirty seven crores) comprising of ₹ 125,00,00,000/- (Rupees one hundred twenty five crore only) divided into 12,50,00,000 (Twelve crore fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten) each and ₹ 112,00,00,000/- (Rupees one hundred twelve crores only) divided into 1,12,00,000 (One crore twelve Lakhs) compulsorily and mandatorily convertible participatory Preference Shares of ₹ 100/- (Rupees Hundred) each.

The Company is proposing to capitalize its security premium amount, capital redemption reserve, free reserves and credit balance available in profit & loss account for issue bonus shares to its existing shareholders, which will result in increase in paid up share capital of the Company.

It is therefore proposed to reclassify and thereafter effect a suitable change in the existing Authorized Share Capital. As such, it is proposed to reclassify the existing Authorized Share Capital to be ₹ 237,00,00,000/- (Rupees Two hundred thirty seven Crore only) comprising of 23,70,00,000 (Twenty three crore seventy lakhs) Equity Shares of ₹ 10/- (Rupee Ten) each.

The aforesaid alteration of the Authorized Share Capital will require consequential amendment to the Capital Clause V of the Memorandum of Association of the Company.

Pursuant to Sections 13, 61 and 64 of the Companies Act, 2013 ('the Act'), the said reclassification of the Authorized Share Capital and the consequent alteration of Capital Clause of the Memorandum of Association of the Company, requires approval of the members of the Company by way of an ordinary resolution. Accordingly, the approval of members is sought for passing the resolution set out at Item No. 8 of this Notice as an **Ordinary Resolution**.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s), set out at Item No. 8 of this.

ITEM NO. 9**ISSUE OF BONUS SHARES**

The Board of Directors at its meeting held on July 4, 2025, have recommended issuance of bonus equity shares of ₹ 10/- (Rupees Ten only) each credited as fully paid-up equity share to eligible shareholders of the Company in the ratio of 1:1 i.e., 1 (one) new fully paid up equity share of ₹ 10/- (Rupees Ten only) each for every 1 (one) existing fully paid-up equity share of ₹ 10/- (Rupees Ten only) each by capitalizing a sum not exceeding ₹ 87,46,84,950 (Rupees eighty seven crore forty six lakhs eighty four thousand nine hundred and fifty only) out of securities premium received in cash and / or general reserve and / or capital redemption reserve and / or retained earnings of the Company, as deemed appropriate by the Board of Directors in this regard. Capitalization of reserves for issuance of bonus shares is permitted under the Articles of Association of the Company. Such bonus issue is being done with a review to reward the shareholders and to improve the liquidity of the Company's shares in the market.

Issue of bonus equity shares requires shareholders' approval in terms of Section 63 of the Companies Act, 2013 and other applicable statutory and regulatory approvals. Accordingly, the approval of members is sought for passing the resolution set out at Item No. 9 of this Notice as an **Ordinary Resolution**.

Members are requested to note that in terms of the ICDR Regulations, the new equity shares to be allotted pursuant to the bonus issue shall be allotted in dematerialized form only.

Except to the extent of their shareholding, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s), set out at Item No. 9 of this Notice.

ANNEXURE A

Details of Directors seeking appointment / reappointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and applicable Secretarial Standard issued by the Institute of Company Secretaries of India

Name of Director: Mr. Shiva A Sankeshwar	
DIN	09236519
Date of Birth	05/08/2001
Date of Appointment	18/01/2024
Tenure of appointment	Retirement by rotation
Qualification	Bachelor of Mechanical Engineering
Expertise in Specific functional area	Third Generation Entrepreneur duly groomed to take over the reins of business. Involved in Policy making, Information Technology & process improvement etc.
Directorship held in other Listed/ Unlisted Companies	<ul style="list-style-type: none"> • VRL Media Private Limited • Vijayanand Travels Private Limited • VRL Steel Private Limited • Sankeshwar Ventures (India) Pvt Ltd • Komix Ventures Private Limited
Membership of Committee in other Listed Companies	None
Category	Non-Executive Director
Relationship with other directors	Dr. Vijay Sankeshwar, Chairman and Managing Director (Grandfather) Dr. Anand Sankeshwar, Managing Director (Father)
Shareholding in the Company as on March 31, 2025	Nil

Name of Director: Dr. Ashok Shettar

DIN	07038714
Date of Birth	26/06/1958
Date of Initial Appointment	08/08/2015
Tenure of appointment	Retirement by rotation
Qualification	B.E. (Civil.) & Ph.D. in Civil Engineering
Expertise in Specific functional area	Dr. Ashok Shettar holds B.E. in Civil Engineering from Karnataka University, Dharwad and Ph.D. in Civil Engineering from Indian Institute of Science, Bengaluru. He was Former Member, Executive Council, Visvesvaraya Technological University, Belgaum and Former Member of Higher Education Council, Government of Karnataka. Presently he is member of the Indian Society for Technical Education as also the Vice Chancellor of KLE Technological University. In 2005 he got "Rotary Centennial" award for Professional Excellence Administrative and Teaching Experience. He has more than 3 decades of teaching experience at Undergraduate and Post graduate Levels.
Directorship held in other Listed Companies	None
Membership of Committee in other Listed Companies	None
Category	Non-Executive Director
Relationship with other directors	No relationship with other Directors & KMP.
Shareholding in the Company as on March 31, 2025	Nil

For other details such as the number of meetings of the board attended during the year, remuneration drawn in respect of above directors, please refer to the Corporate Governance Report which forms part of this Annual Report.

ANNEXURE B
INFORMATION PURSUANT TO CLAUSE 1.2.5 OF SECRETARIAL STANDARD 2 (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Name of the Director	Mr. L R Bhat
Age	66 Years
Qualifications	Diploma in Mechanical Engineering & Chartered Engineer from Institute of Engineers
Experience	Mr. L R Bhat holds a Diploma in Mechanical engineering from the State Board of Technical Education & Training, Tamil Nadu and is a Fellow member of the Institute of Engineers. He has been associated with the Company since 01 July, 1995 and instrumental in developing in house IT which has resulted in enormous growth coupled with cost saving. He has more than 3 decades of experience in the IT field. With around 40 years experience in automobile industry. He also heads the vehicle maintenance function in the Company. He also participates in strategy formulation & implementation.
Terms of Conditions of appointment	Provided in the explanatory statement to this Notice
Details of Remuneration sought to be paid	₹ 16,50,350/- per month including perquisites as detailed in the explanatory statement to this Notice.
Last Remuneration drawn	₹ 16,50,350/- per month including perquisites
Shareholding	2097 shares held jointly with spouse Mrs. Usha Ramanand Bhat (name of the latter appears as the first holder)
Relationship with other Director / KMPs	None
Number of meetings of the Board attended during the year	5 (Five) – 100% Attendance
Directorship held in other Listed Companies	None
Membership / Chairmanship of committees of other Boards	NIL

ANNEXURE C
STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013.

I GENERAL INFORMATION

1. Nature of industry:

The Company is engaged in the business of Goods Transportation.

2. Date of commencement of commercial production:

31.03.1983

3. Financial performance based on given indicators:

Standalone Financial Results for the previous years:

(₹ Lakhs)

Particulars	2024-25	2023-24	2022-23*	2021-22
Profit (Loss) after Tax	18,249.50	8,885.11	32,320.06	16,011.26
Net Worth (including balance in Profit and Loss Account)	1,08,455.56	94,579.03	97,584.15	65,163.07
Earnings Per Share	20.91	10.16	36.58	18.12
Turnover	3,18,640.65	2,90,971.85	2,92,924.29	2,41,046.54

*Disclosure relating to continued operations only

4. Foreign investments or collaboration, if any:

There is no Foreign Direct Investment in the Company except to the extent shares held by the Foreign Institutional Investors (FII) acquired through secondary market. There is no foreign collaboration in the Company.

As on March 31, 2025, the Shareholding of Foreign Institutional Investors, Foreign Nationals and Foreign Companies, in the Company is as under:

Sl.No.	Description	Shares	% Equity
1	Foreign Portfolio - Corp	31,61,143	3.61%
2	Non Resident Indians	4,86,501	0.56%
	Total:	36,47,644	4.17%

II INFORMATION ABOUT THE APPOINTEES

1. Background details:

➤ **Mr L R Bhat**

Mr. L R Bhat, aged 66 years, holds a diploma in Mechanical Engineering from the State Board of Technical Education & Training, Tamil Nadu and is a Fellow member of the Institute of Engineers in tool design. He has been associated with the Company since July 1, 1995. He heads the vehicle maintenance function and is also instrumental in developing the in-house Information Technology which has resulted in growth coupled with enormous cost savings in the Company.

2. Past remuneration:

The remuneration paid for the last two financial years is as follows:

(₹ in lakhs)

Name of the Directors	2024-25	2023-24
Mr. L R Bhat	180.04	162.04

Awards and Recognition

a. Mr. L R Bhat

No such Recognition or Awards.

3. Job profile and Suitability

Mr. L. R. Bhat: He is a Whole-time Director of the Company. He has been associated with the Company since over three decades. His area of expertise is developing and maintaining of in-house Information Technology which has resulted in growth coupled with enormous cost saving to the Company. He has contributed towards strengthening the core competencies and policies of the Company. He also heads the vehicle maintenance function as also handles certain key clients of the Company.

4. Remuneration proposed

Details of remuneration approved by the Board of Directors on the recommendation of the Nomination & Remuneration Committee for remaining tenure:

MR. L R BHAT	
Remuneration Amt in Lakhs	Salary of ₹ 16,50,350/- per month inclusive of perquisites listed below with an authority to the Board of Directors to fix / vary the salary
Perquisites	<p>a. Gratuity as per rules of the Company.</p> <p>b. Earned leave with full pay or encashment as per rules of the Company.</p> <p>c. Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme - as per the policy of the Company.</p> <p>d. Provision for use of the Company's car for official duties.</p> <p>e. Other Allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.</p> <p>Point No (a) to (d) mentioned above shall not be included in the computation of remuneration.</p> <p>For the purpose of calculation of remuneration, perquisites shall be evaluated as per Income Tax Rules, wherever applicable.</p> <p>OTHER TERMS & CONDITIONS OF APPOINTMENT:</p> <p>a. In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay the remuneration by way of salary, perquisites or other allowances as specified above and in compliance with the schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be specified by the Government from time to time in this regard, as minimum remuneration.</p> <p>b. No sitting fees shall be paid to him for attending the meetings of the Board of Directors or Committees thereof.</p> <p>c. Mr. L R Bhat shall be liable to retire by rotation.</p>

5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The current remuneration being paid to Mr. L R Bhat is commensurate with his standing, efforts, scale and size and scale of operations of the Company and the role and contribution put in by him. The payment being made is in line with the payments being made by other Companies of similar size as also in line with the payment being made by other reputed Companies in the Industry.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Apart from receiving managerial remuneration and holding 2,097 equity shares held jointly with spouse, he does not have any other pecuniary relationship with the Company.

III OTHER INFORMATION

1. Reasons of loss or inadequate profits:

There was no losses or inadequate profits for the financial year ended March 31, 2025.

2. Steps taken or proposed to be taken for improvement:

Not Applicable

3. Expected increase in productivity and profits in measurable terms:

The inherent strength in our business model ensures that the Company is not dependent on any particular customer or industry for its revenues. The Company has demonstrated growth in revenues and profitability over four decades and is expected to sustain the same going ahead.

IV. DISCLOSURES

The disclosures as required on all elements of remuneration package such as salary, perquisites etc. have been made in the Directors' Report under the heading "Corporate Governance" included to in this Annual Report. Specific disclosures mandated under Schedule V are as under:

(I) ALL ELEMENTS OF REMUNERATION PACKAGE SUCH AS SALARY, BENEFITS, BONUSES, STOCK OPTIONS, PENSION, ETC., OF ALL THE DIRECTORS;

Remuneration to Directors

The appointment and remuneration of Executive Directors is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and the Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective agreements entered into between them and the Company, as approved by the shareholders at the general meeting.

Any annual pay, variable pay or incentives, if any, payable to Executive Directors is approved by the Board based on recommendation from Nomination and Remuneration Committee.

The table below gives the details of remuneration paid to Directors for the year ended March 31, 2025.

Remuneration paid to Directors

(₹ in Lakhs)

Name of the Director	Salaries, perquisites and allowances	Commission	Sitting fees	Total
Dr. Vijay Sankeshwar	324.00	136.00	-	460.00
Dr. Anand Sankeshwar	360.00	-	-	360.00
Mr. L R Bhat	180.04	-	-	180.04
Mr. Shiva Sankeshwar	-	-	1.00	1.00
Mr. Shankarasa Ladwa	-	-	3.80	3.80
Mr. Vinay Javali	-	-	1.80	1.80
Mrs. Medha Pawar	-	-	3.40	3.40
Dr. Anand Pandurangi	-	-	1.40	1.40
Dr. Raghottam Akamanchi	-	-	2.60	2.60
Dr. Ashok Shettar	-	-	1.40	1.40
Mr. Shantilal Jain	-	-	2.80	2.80
Mr. Virupaxagouda Patil	-	-	0.80	0.80
Dr. (Mrs) Shailaja Ambli	-	-	1.00	1.00
Total	864.04	136.00	20.00	1020.04

(II) DETAILS OF FIXED COMPONENT AND PERFORMANCE LINKED INCENTIVES ALONG WITH THE PERFORMANCE CRITERIA;

Not Applicable.

(III) SERVICE CONTRACTS, NOTICE PERIOD, SEVERANCE FEES; AND

As at March 31, 2025, the Board comprised of twelve directors including three executive directors, three non-executive directors and six independent directors. The Company has entered into agreements with Dr. Vijay Sankeshwar, Chairman and Managing Director, Dr. Anand Sankeshwar, Managing Director, and Mr. L R Bhat, Whole time Director which, inter alia, stipulate a three months' notice period to vacate their respective office held. There is no provision for payment of severance fees. The other Non-Executive Directors and Independent Directors are not subject to any specific requirement of notice period and severance fees.

(IV) STOCK OPTION DETAILS, IF ANY, AND WHETHER THE SAME HAS BEEN ISSUED AT A DISCOUNT AS WELL AS THE PERIOD OVER WHICH ACCRUED AND OVER WHICH EXERCISABLE.

During the year, no stock options were granted to any executive / non-executive director of the Company. Also, the Company did not advance any loan to any of its Directors' during the year.

The Board recommends the Resolution as set out at Item no.5 of the Notice as Special Resolution, for approval of the Members.

BY ORDER OF THE BOARD OF DIRECTORS

ANIRUDDHA PHADNAVIS
Company Secretary & Compliance Officer
Date: July 10, 2025
Place: Hubballi



VRL LOGISTICS LIMITED

**Regd. Office: RS No. 351/1, Varur, Post Chabbi, Taluk Hubballi,
District Dharwad, Hubballi - 581 207 (Karnataka)**

(18th KM, NH-4, Bengaluru Road, Varur)

Tel: 0836 2237613, Fax: 0836 2237614, Email: investors@vrllogistics.com

CIN: L60210KA1983PLC005247, Website: www.vrlgroup.in

Attendance Slip

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 42nd Annual General Meeting of the Company at Registered office of the Company situated at RS No.351/1, Varur, Post: Chabbi, Taluk Hubballi, District Dharwad, Hubballi – 581 207 (18th KM, NH-4, Bengaluru Road, Varur) on August 6, 2025 at 1.00 pm.

Full Name of the Member	
Address	
Folio No.	
DP ID	
Client ID	
No. of Shares held	

I certify that I am the registered shareholder/proxy for the registered shareholder of the Company

.....
Full name of the shareholder / proxy (in block letters)

.....
Signature of shareholder / Proxy

Note:

1. Electronic copy of the Annual Report for FY 2024-25 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the shareholders whose email address is registered with the Company/Depository Participant unless any shareholder has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.
2. Physical copy of the Annual Report for FY 2024-25 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all shareholders whose email ids are not registered with the Company or have requested for a hard copy.



VRL LOGISTICS LIMITED

**Regd. Office: RS No. 351/1, Varur, Post Chabbi, Taluk Hubballi,
District Dharwad, Hubballi - 581 207 (Karnataka)
(18th KM, NH-4, Bengaluru Road, Varur)**

**Tel: 0836 2237613, Fax: 0836 2237614, Email: investors@vrllogistics.com
CIN: L60210KA1983PLC005247, Website: www.vrlgroup.in**

PROXY FORM - MGT-11

**(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of
the Companies (Management and Administration) Rules, 2014)**

CIN : L60210KA1983PLC005247

Name of the Company : VRL LOGISTICS LIMITED

Registered Office : RS, No.351/1, Varur Post Chabbi Taluk Hubballi, District Dharwad, Hubballi - 581207 India.
(18th KM, NH- 4, Bengaluru Road, Varur)

Website: www.vrlgroup.in Email: investors@vrllogistics.com

Name of the Member (s):.....

Registered address:.....

E-mail Id: DP ID No.

Client ID No. Folio No:.....

I / We, being the member(s) of _____ Equity Shares of VRL Logistics Limited, hereby appoint

1. Name :

Address :

E-mail Id :

Signature :, or failing him / her

2. Name:

Address:

E-mail Id:

Signature:, or failing him / her

3. Name:

Address:

E-mail Id:

Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 42nd Annual General Meeting of the Company, to be held on Wednesday, August 6, 2025 at 1.00 p.m. at the Registered Office of the Company and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sl.No	Resolutions	Optional*	
		For	Against
	Ordinary Business		
1	Adoption of Audited Financial Statements for FY 2024-25 together with the Reports of Board of Directors and Auditors thereon.		
2	Re-appointment of Mr. Shiva A Sankeshwar, (DIN: 09236519) who retires by rotation, being eligible, offers himself for re-appointment.		
3	Re-appointment of Dr. Ashok Shettar (DIN: 07038714) who retires by rotation, being eligible, offers himself for re-appointment.		
4	To approve and confirm interim dividend of ₹ 5 per equity share paid for FY 2024-25 and to declare a Final Dividend of ₹ 10 per equity share for FY 2024-25.		
5	To approve remuneration payable to L.R. Bhat Whole-time Director of the Company for remaining period of his tenure.		
6	To appoint M/s. Walker Chandiok & Co., LLP, Chartered Accountants, Mumbai, (Firm Registration No. 001076N), as Statutory Auditors of the Company and to fix their remuneration		
7	To appoint Mr. R Parthasarathy, Practicing Company Secretary [ACS 3667, CP No.838], as Secretarial Auditor of the Company and to fix his remuneration		
8	To approve reclassification and alteration of Authorized Share Capital of the Company		
9	Issue of bonus shares		

Signed this ____ day of _____, 2025

Signature of Shareholder

Affix Re.1
Revenue
Stamp
here

Signature of Proxy Holder (s)

Note:

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. * In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

INSTRUCTIONS AND OTHER INFORMATION RELATING TO REMOTE E-VOTING:

1. Please take note of the below:
 - A. In case a member receiving an email from KFin [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - I. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
 - II. Enter the login credentials (i.e., User ID and Password mentioned above). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.
 - III. After entering these details appropriately, Click on “LOGIN”.
 - IV. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - V. You need to login again with the new credentials.
 - VI. On successful login, the system will prompt you to select the “EVENT” i.e., VRL Logistics Limited.
 - VII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
 - VIII. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
 - IX. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - X. You may then cast your vote by selecting an appropriate option and click on “Submit”.
 - XI. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the Resolution(s) by clicking “SUBMIT”.
 - XII. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: cs_akshaysp@yahoo.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format “Corporate Name EVENT NO.” The documents should reach the Scrutinizer and such other person on or before August 5, 2025 at 5.00 PM.
 - B. In case of Members receiving physical copy of the AGM Notice by Courier [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:
 - (i) User ID and initial password as provided above.
 - (ii) Please follow all steps from Sr.No. (i) to (xii) as mentioned in (A) above, to cast your vote.
 - C. In case a person has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. July 30, 2025, may write to the KFin on the email Id evoting@kfintech.com or to Mr. Bhaskar Roy, Contact No. 040-33215252 at KFin Technologies Limited, Unit- VRL Logistics Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial Dist., Nanakramguda, Hyderabad – 500 032, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast the vote.

2. The remote e-voting period commences on August 3, 2025 at 9.00 A.M. and ends on August 5, 2025 at 5.00 P.M. During this period, the Members of the Company holding shares as on the cut-off date, being July 30, 2025, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote at the AGM.
3. The facility for voting through electronic means ('Insta-Poll') would be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'Insta-Poll'.
4. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
5. The Company has engaged the services of KFin Technologies Limited ("KFin") as the Agency to provide e-voting facility.
6. The Board of Directors of the Company has appointed Mr. Akshay Pachlag, Practicing Company Secretary as Scrutinizer to scrutinize the Insta-Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
7. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. July 30, 2025.
8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., July 30, 2025 only shall be entitled to avail the facility of remote e-voting / Insta-Poll.
9. The remote e-voting facility will be available during the following period: Commencement of remote e-voting: From 9.00 a.m. (IST) on August 3, 2025 End of remote e-voting: Up to 5.00 p.m. (IST) on August 5, 2025. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin upon expiry of aforesaid period.
10. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, to the Chairperson or a person authorized by him in writing who shall countersign the same. The Chairperson or a person authorized by him in writing will declare the result of voting forthwith.
11. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., August 6, 2025.
12. The Results on resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the Resolutions.
13. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.vrlgroup.in) and on Service Provider's website (<https://evoting@kfintech.com>) and communication of the same would be made to the BSE Limited and the National Stock Exchange of India Limited within 48 hours from the conclusion of the AGM.

E-Voting event Number	User ID	Password

14. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members at <https://evoting.kfintech.com/public/Faq.aspx> or call KFin Technologies Limited on 1800-309-4001 to their toll free number.

**INSTRUCTION FOR MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ADDRESSES
SHOULD FOLLOW THE PROCEDURE MENTIONED BELOW:**

- A. Please take note of the below

1. The member can access the Kfin link at : <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>
2. Once you enter the link, please select the drop-down menu and select the Company Name 'VRL Logistics Limited'.
3. Select the Holding type from the drop down i.e. - NSDL / CDSL / Physical then click 'SUBMIT'.
4. Later enter the Enter DPID – Client ID (in case shares are held in electronic form) / Physical Folio No. (in case shares are held in physical form) and update your PAN number. In case shares are held in physical form and PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.
5. If PAN details are not available in the system, the system will prompt to upload a self-attested copy of the PAN card for updating your records.
6. Kindly enter the valid email address and mobile number System will validate DP ID – Client ID/ Physical Folio No. and PAN / Share certificate No., as the case may be, and send the OTP at the registered Mobile number as well as email address for validation.
7. Enter the OTPs received by SMS and email to complete the validation process. Kindly note that the OTPs validity will be for 5 minutes only.
8. The Notice and e-voting instructions along with the User ID and Password will be sent on the email address updated by the member.
9. Alternatively, members may send an email request addressed to einward.ris@kfintech.com along with scanned copy of the request letter duly signed by the first shareholder, providing the email address, mobile number, self-attested copy of PAN and Client Master copy in case shares are held in electronic form or copy of the share certificate in case shares are held in physical form, to enable KFin to register their email address and to provide them the Notice and the e-voting instructions along with the User ID and Password.
10. Please note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of the Notice and the e-voting instructions along with the User ID and Password. Such members will have to register their email address with their DPs permanently, so that all communications are received by them in electronic form.
11. In case of queries, members are requested to email inward.ris@kfintech.com or call at the toll free number 1800- 309-4001.

As an ongoing endeavour to enhance Investor experience and leverage new technology, our registrar and transfer agents, KFIN Technologies Limited have been continuously developing new applications. Here is a list of applications that has been developed for our investors.

Investor Support Centre: A webpage accessible via any browser enabled system. Investors can use a host of services like Post a Query, Raise a service request, Track the status of their DEMAT and REMAT request, Dividend status, Interest and Redemption status , Upload exemption forms (TDS) , Download all ISR and other related forms.

URL: <https://ris.kfintech.com/clientservices/isc>

e-Sign Facility: Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination requires that e-Sign option be provided to Investors for raising service requests. KFIN is the first RTA which has enabled the option and can be accessed via the link below.

URL: <https://ris.kfintech.com/clientservices/isc>

KYC Status: Shareholders can access the KYC status of their folio. The webpage has been created to ensure that shareholders have the requisite information regarding their folios.

URL: <https://ris.kfintech.com/clientservices/isc/kycqry.aspx>

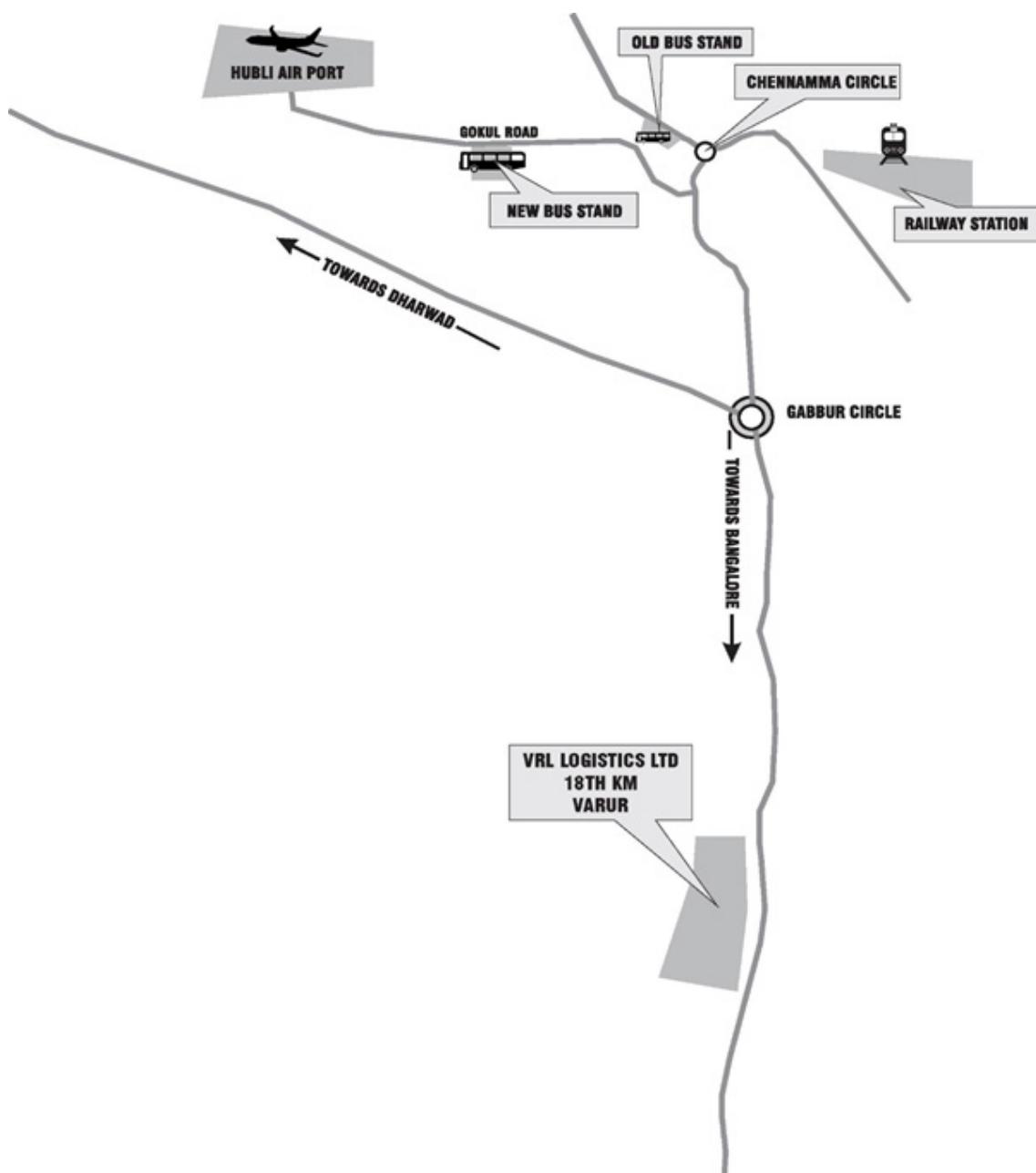
KPRISM: A mobile application as well as a webpage which allows users to access Folio details , Interest and Dividend status, FAQs, ISR Forms and full suite of other investor services.

URL: <https://kprism.kfintech.com/signin.aspx>

WhatsApp: Modern technology has made it easier to communicate with shareholder across multiple levels. WhatsApp has a wider reach today with majority having a know-how of the application. In order to facilitate the shareholders KFIN has now a dedicated WhatsApp number that can be used for a bouquet of services.

WhatsApp Number: (91) 910 009 4099

Route Map to reach the Registered Office of the Company (AGM Venue)



DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present the Forty Second Annual Report of your Company together with the audited financial statements for the financial year ended 31 March, 2025.

1. SUMMARY OF FINANCIAL RESULTS

The performance of the Company for the financial year ended 31 March 2025 is summarized below:

(₹ in lakhs)

Particulars	Financial Year Ended March 31, 2025	Financial Year Ended March 31, 2024
Total Operating Income	3,18,640.65	2,90,971.85
Earnings before Interest, Depreciation, Tax and Amortization (EBITDA)	59,894.55	41,454.01
Finance Costs	9,483.75	7,786.48
Depreciation & Amortization expense	25,362.46	21,616.30
Profit Before Tax & Exceptional Items	25,048.34	12,051.23
Exceptional Items- discontinued operation	-	48.67
Profit Before Tax from Continuing Operations	25048.34	12,099.90
Tax Expense (Continuing Operations)	6,715.55	3,193.80
Net Profit After Tax from continuing operations	18,332.79	8,906.10
Net Profit After Tax from discontinued operations	-	(20.99)
Profit for the year	18,332.79	8,885.11
Other comprehensive income net of tax	(43.34)	153.63
Total comprehensive income for the year	18,289.45	9,038.73
Basic and Diluted earnings per share	20.96	10.18
From continuing operations		
From discontinued operations	-	(0.02)
From continuing and discontinued operations	20.96	10.16

2. OPERATING HIGHLIGHTS / STATE OF COMPANY'S AFFAIRS

During the year under consideration, the Company has achieved a gross income of ₹ 3,18,640.65 lakhs as against ₹ 2,90,971.85 lakhs in the previous year representing a growth of 9.51 %. Due to increased turnover, cost reduction and realization, the Company could achieve a record profit before tax of ₹ 25,048.34 Lakhs as against ₹ 12,051.23 Lakhs in the previous year. Accordingly, PAT also increased to ₹ 18,332.79 lakhs as against the corresponding figure of ₹ 8,906.10 for the previous year. The other major reasons for the increase in profitability are the increased yield pursuant to rationalisation of freight rates resulting higher yield effected during later part of the fiscal.

For more detailed analysis on the operations and financial performance and position of the Company, please refer the Management Discussion & Analysis section of this Annual Report.

3. SHARE CAPITAL

The paid-up Equity Share Capital as at March 31, 2025 remained at ₹ 8746.85 lakhs and there was no change in the same.

The company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2025, none of the Directors of the company held instruments convertible into equity shares of the Company.

4. CHANGE IN THE NATURE OF BUSINESS

There was no change in nature of business of the Company. Your Company continues to be one of the leading Surface Logistics service providers in the country. The service offerings of the Company during the year within Goods Transportation, its core business, included less than truck load and full truck load offerings.

5. CAPITAL EXPENDITURE:

During the Financial year 2024-25, the company has incurred a capital expenditure of ₹ 46,094.73 lakhs. Out of the same, an amount of ₹ 12,349.14 lakhs was invested on purchase of new fleet i.e., Goods Transport Vehicles and an amount of ₹ 29,780.97 lakhs was invested on purchase of premises for operations at Bengaluru, Mangaluru and Mysuru. The balance capex of ₹ 3,964.62 lakhs was spent on Plant & Equipments, furniture and fixtures, office equipment and Leasehold improvements etc. The predominant capex during the year was purchase of the existing leased transshipment hub located at Bengaluru.

6. LEASES

The adoption of the accounting standard Ind-AS 116- Leases, which had become effective from 1 April 2019, has resulted in the Company recognizing significant right-of-use (ROU) assets and related lease liability over the year in connection with operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the reporting date.

This year, the net reduction in ROU assets was to the tune of ₹ 1,382.96 lakhs attributable entirely to Buildings owing to vacating of certain branches as also purchase of the existing transshipment hub at Bengaluru. The addition to Lease Liabilities, including both current and non-current was to the tune of ₹ 2,158.45 lakhs.

The impact of adopting IndAS 116 on the financial statements for the year ended 31 March 2025 is as follows:

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Depreciation charge on Right-of-use assets-Buildings	15,921.64	13,706.03
Interest expense included in finance cost	6,420.39	5,561.92
Expense relating to short-term leases	7,547.63	5,940.86
Total cash outflow for leases during current financial year (excluding short term leases)	18,800.62	19,470.99
Additions to the right of use assets	18,877.54	39,028.12

7. DIVIDEND:

Considering the record profit earned by the Company and the liquidity position, the Board of Directors recommend a final dividend of ₹ 10/- per equity share for the financial year 2024-25. Your board had declared an interim dividend of ₹ 5/- per equity share during the year. Thereby the aggregate dividend for the year works out to ₹ 15/- per equity share.

In compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Dividend policy of the Company is available on the Company's website at http://vrlgroup.in/vrl_investor_desk.aspx?display=policies. A copy of the same is annexed to this Report as Annexure A.

8. TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS AND SHARES TO IEPF:

Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), requires dividends that are not encashed/ claimed by the shareholders for a period of seven consecutive years to be transferred to the Investor Education and Protection Fund (IEPF).

The details of the consolidated unclaimed/ unpaid dividend statements as required by the Act read with IEPF Rules for all the unclaimed/ unpaid dividend accounts have been uploaded on the Company's website and can be accessed at https://vrlgroup.in/vrl_investors_desk.aspx?display=unclaimed_dividend

The Members of the Company, who have not yet encashed their dividend warrant(s) or those who have not claimed their dividend amounts as also members whose shares have been transferred to IEPF, may write to the IEPF/ Company/ Company's Registrar and Share Transfer Agent, Kfin Technologies Limited.

9. TRANSFER TO RESERVES:

The Company has transferred an amount of ₹ 1829.83 lakhs to the General Reserve out of current year's profits in line with its practice of earlier years.

10. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

11. FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. Details of investments made by the company are given in the notes to the financial statements.

13. CREDIT RATING

During the year, ICRA Limited has revised the Fund based Long term and Cash Credit rating of the Company to [ICRA] A+ Stable from [ICRA] A+ Positive.

As indicated by ICRA, the revision in the outlook to Stable from Positive for VRL Logistics Limited (VRL) factors in the likely moderation in VRL's debt protection metrics against ICRA's expectations, amid debt-funded capex plans in FY2025. The company's earnings profile in the quarters close rating were affected by stable freight rates and persistent inflationary scenario. While the company has recently hiked the freight rates, a sustained expansion in the operating margins remains to be seen. The Stable outlook reflects ICRA's opinion that VRL's credit profile will remain healthy and be supported by its established position in the market, and a strong customer base, which would improve its earnings and cash flows amid a strong business profile. Strengthening of its fleet, and expansion of the branch network and expected return from the same are likely to be visible in the days to come.

14. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (2) of SEBI Listing Regulations read with Schedule V thereto, is presented in a separate section forming part of this Annual Report.

15. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Securities Exchange Board of India has mandated top 1000 listed companies based on market capitalization to include a report on business responsibility & sustainability. The said report is in compliance with the SEBI Listing Regulations and forms a part of this Annual Report.

16. CORPORATE GOVERNANCE

The Company is committed to maintain the steady standards of corporate governance and adhere to the corporate governance requirements set out under extant law. The Report on corporate governance as stipulated under Regulation 34 of the SEBI Listing Regulations read with Schedule V thereto forms part of this Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Regulations, as also the related certificate from CEO/ CFO are attached to the Report on Corporate Governance.

The auditors' certificate does not contain any qualification, reservation or adverse remarks.

17. BOARD COMPOSITION AND INDEPENDENCE

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, which stipulates that the Board should have optimum combination of Executive and Non-executive Directors with at least one Independent Woman Director and at least 50% of the Board should consist of Independent directors, as the Chairman of our Board is an Executive Director.

As on March 31, 2025, the Board comprised of twelve Directors. Out of these, two are Managing Directors who are also the Promoters of the Company and One Whole Time Executive Director, the other nine being Non-Executive Directors (one of whom is related to the Promoters).

Of the nine Non-Executive Directors, six are Independent Directors. These include one Independent Woman Director. All the Directors possess the requisite qualifications, expertise and experience in general corporate management, finance, banking, laws, operations and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

None of the Directors of the Company are related to each other except Dr. Vijay Sankeshwar, Chairman & Managing Director (CMD), Dr. Anand Sankeshwar, Managing Director (MD) and Mr. Shiva A Sankeshwar (Non-Executive Director).

All Independent Directors have given due declarations that they meet the criteria of independence as laid down under section 149 (6) and (7) of the Companies Act, 2013 and under extant provisions of the SEBI Listing Regulations.

18. NUMBER OF MEETINGS OF THE BOARD

During the year, five Board Meetings were held, the details of which are provided in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between these Meetings was in compliance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations.

Details of attendance of meetings of the Board, Committees and the Annual General Meeting are also included in the Report on Corporate Governance.

COMMITTEES OF THE BOARD

The Board has the following committees:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. CSR Committee
- d. Stakeholders Relationship Committee
- e. Risk Management Committee
- f. Administration Committee
- g. Finance Committee

Details such as terms of reference, powers, functions, meetings, membership of committee, attendance of directors etc. are dealt with in Corporate Governance Report forming part of this Annual report.

Board has accepted all recommendations made by the Audit Committee during the year.

19. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

a) Inductions

In view of retirement of Dr. Prabhakar Kore and Mr. Gurudas Narekuli, Independent Directors of the Company whose term ended on March 31, 2024, Mr. Virupaxagouda Patil and Mr. Vinay Javali were appointed as an Independent Directors of the Company w.e.f. April 1, 2024 through Postal Ballot.

In view of further retirement of Dr. Anand Pandurangi and Mr. Shankarasa Ladwa, Independent Directors of the Company whose term ended on February 18, 2025, Dr. D. V. Guruprasad and Mr. Shankar Vasantrao Pingre were appointed as an Independent Directors of the Company w.e.f. February 19, 2025 through Postal Ballot dated December 11th 2024.

b) Retirement

Mrs. Medha Pawar, Independent Director of the Company retired on December 11, 2024, Dr. Anand Pandurangi and Mr. Shankarasa Ladwa, Independent Directors of the Company retired on February 18, 2025.

c) Retirement by Rotation and reappointment

Mr. Shiva A Sankeshwar and Dr. Ashok Shettar, Non- Executive Directors of the Company, retire by rotation at this AGM and being eligible, offer themselves for reappointment. The Board recommends their re-appointment.

d) Resignation

None of the directors resigned during the year.

KEY MANAGERIAL PERSONNEL

During the year under consideration, there was no change in Key Managerial Personnel of the Company.

The remuneration and other details of the Key Managerial Personnel for FY 2024-25 are provided in the Annual Return (MGT 7) which is available on the website of the Company and can be accessed at <https://www.vrlgroup.in/>.

20. STATUTORY DISCLOSURES

None of the Directors of your Company are disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and SEBI Listing Regulations. A Certificate to that effect as mandated under Schedule V of the SEBI (LODR) Regulations, 2015 has been obtained from a Company Secretary in practice.

21. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the annual performance of the Board, its Committees, Chairperson and Individual Directors including Independent Directors was evaluated as per the criteria laid down by the Nomination and Remuneration Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report which forms part of this Annual Report.

22. BOARD DIVERSITY

A diverse Board enables efficient functioning through differences in perspective and skill and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender and knowledge. The Board recognizes the importance of a diverse composition and has adopted a Board Diversity policy which sets out the approach to diversity.

The said policy can be accessed through the following link : https://vrlgroup.in/vrl_investors_desk.aspx?display=policies

23. DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i. In the preparation of the annual accounts, the applicable accounting standards (IndAS) have been followed along with proper explanation relating to material departures, as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The directors have prepared the annual accounts on a going concern basis.
- v. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vi. Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory auditors, reviews performed by the management and the relevant Board Committees, the Board, in concurrence with the Audit Committee, is of the opinion that the Company's internal financial controls were adequate, operational and effective as on March 31, 2025.

24. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis. There were no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form a part of this report.

All Related Party Transactions are placed before the Audit Committee as also to the Board for prior approval. Omnibus approval was obtained for transactions which are repetitive in nature. A statement containing details of all transactions entered into pursuant to omnibus approval are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board of Directors of the Company can be viewed on the website of the Company through the following link.

http://vrlgroup.in/investor_download/RPT%20Policy.pdf

25. NOMINATION AND REMUNERATION POLICY

In adherence to Section 178(1) of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes and other matters provided under sub section (1) (3) of section 178 of the Companies Act 2013. The Remuneration Policy is annexed to this report as Annexure B. The said policy alternatively can also be accessed on the website of the Company at the following link:

http://vrlgroup.in/investor_download/Nomination_Remuneration%20Policy.pdf

26. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and specified employees in the course of day-to-day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behavior in any form and the Board has laid down certain directives to counter such acts. Such code of conduct has also been placed on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. Pursuant to SEBI (LODR) Regulations, 2015, a confirmation from the Managing Director regarding compliance with the Code by all the Directors and senior management of the Company is given as a part of the Annual Report.

27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism Policy in line with the provisions of Section 177 of the Companies Act, 2013 to deal with instances of fraud and mismanagement, if any. Staying true to our core values being committed to high standards of Corporate Governance and stakeholder responsibility, the said policy ensures that strict confidentiality is maintained in respect of whistle blowers whilst dealing with concerns and also specified that no discrimination will be meted out to any person for a genuinely raised concern and also provides a direct access to the Chairman of the Audit Committee. During the year under review none of the personnel has been denied access to the Chairman of Audit Committee.

The Vigil Mechanism policy is available on the website of the Company and can be accessed at the following link.

http://vrlgroup.in/investor_download/vigil_Mechanism.pdf

28. PREVENTION OF INSIDER TRADING

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (PIT Regulations), the Company has adopted a Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders with a view to regulate trading in securities by the Directors and certain designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

The said code is available on the website of the Company and can be accessed at the following link. http://vrlgroup.in/vrl_investor_desk.aspx?display=policies

29. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Board of the Company had laid down policies, guidelines, procedures and structure to enable implementation

of appropriate internal financial controls across the Company. These control processes enable and ensure the orderly and efficient conduct of Company's business, including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the Accounting records and timely preparation & disclosure of financial statements. These controls also identify the risks and provides for means to minimize / mitigate the risks affecting the business of the Company as a whole. Auditors, as required under the Companies Act 2013, have also reported the existence and operations of these controls in an effective manner.

The Company's internal audit department enables the Management to mitigate the risks and prevent non-compliance with laws which would affect the financial position of the Company. The scope and authority of the Internal Audit function is well defined and to maintain its objectivity and independence, the Internal Audit function reports directly to the Chairman of the Audit Committee of the Board as well as directly to the Chairman & Managing Director. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its application within operating systems, accounting procedures and policies at all locations of the Company. Based on the internal audit report from time to time, the management undertakes corrective actions in the relevant areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee.

30. BUSINESS RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has in place a risk management architecture that provides a holistic approach to the best of its capabilities. The Company identifies, assesses and mitigates risks that could materially impact its performance in achieving the stated objectives.

The Risk Management Committee and Audit Committee, on a regular basis, reviews the Company's portfolio of risks and examines it under the light of the Company's Risk Appetite.

The material risks affecting Company are identified along with related mitigation measures and elaborated in the Risk Management Policy of the Company which has also been hosted on the website of the Company and can be accessed at the following link.

http://vrlgroup.in/investor_download/Risk%20Management%20Policy.pdf

31. SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company's Equity Shares are listed on the BSE Ltd and National Stock Exchange of India Limited and the Company has paid the applicable Annual listing fees to these stock exchanges. The Company has also formulated the following Policies as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 -

'Policy for Preservation of Documents' under Regulation 9 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said policy can be accessed at the following link: http://vrlgroup.in/vrl_investor_desk.aspx?display=policies

'Policy on Criteria for determining Materiality of Events/Information' under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The said policy can be accessed thru the following link: http://vrlgroup.in/vrl_investor_desk.aspx?display=policies

32. DISCLOSURE RELATED TO LARGE CORPORATE ENTITY

Pursuant to SEBI Circular SEBI/HO/DDHS/DDHS-POD1/P/CIR/2023/172 dt 19.10.2023, Your Company confirms that it does not fall under the "Large Corporate" Category and as such the related compliances are not applicable.

33. AUDITORS AND AUDIT REPORTS

a) Statutory Auditors and Audit Report:

M/S. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai, Statutory Auditors of the Company, retire at this AGM. In accordance with Section 139 and 142 of the Companies Act, 2013 and Rules made thereunder read with the Companies (Audit and Auditors) Rules, 2014 (the Rules) and in accordance with Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a notice having been received from a member and as recommended by the Audit Committee, the Board recommends that M/s. Walker Chandiok & Co, LLP, Chartered Accountants (Firm Registration No. 001076N /

N500013 be appointed as Statutory Auditors of the Company, in the place of retiring Auditors, AGM, for a period of 5 years, their remuneration being fixed for an initial period of two years as detailed in the AGM Notice, with an authority being proposed to the Board to revise the same in consultation with the Auditors. The new Auditors have given their consent and declaration on their eligibility for appointment as Statutory Auditors.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report for the financial year ended March 31, 2025. Pursuant to provisions of section 143 (12) of the Companies Act 2013, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

b) Secretarial Auditor & Secretarial Audit Report

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company had appointed Mr. R Parthasarathy, Company Secretary in practice to undertake the Secretarial Audit of the Company for FY 2024-25. The Secretarial Audit report in Form MR-3 is annexed herewith as Annexure C. There were no qualifications/adverse remarks in the Secretarial Audit report.

As per recent amendment in the SEBI (LODR) Regulations 2015 and pursuant to the recommendation of the Audit Committee and Board of Directors, subject to the approval of the Shareholders in the ensuing Annual General Meeting, the Board of Directors recommends the appointment of Mr. R Parthasarathy, Company Secretary, as Secretarial Auditor of the Company, for a period of 5 years.

34. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As required under the provisions of the section 135 of the Companies Act 2013, the Board has constituted the Corporate Social Responsibility Committee which monitors and oversees various CSR initiatives and activities of the Company. The CSR Committee comprises of four directors out of which two are Independent Directors. The CSR Committee met three times during the year. Further details such as composition, terms, functions, meetings and attendance of directors of the said committee are provided in the Corporate Governance report forming part of this Annual Report.

The Company has undertaken and contributed to various projects identified by the other Trusts/Educational Institutions for CSR related activities as approved by the CSR Committee during the year mainly towards Education, Healthcare, Sports and other worthy causes.

A detailed Annual Report as required to be given under Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 containing details of CSR activities & contents of CSR policy is annexed as Annexure D.

CSR policy of the Company is available on the Company's website and can be accessed through the following link http://vrlgroup.in/investor_download/CSR%20POLICY.pdf

35. ANNUAL RETURN:

A copy of the Annual Return of the Company containing the particulars prescribed u/s 92 of the Companies Act, 2013, in Form MGT-7, as of the end of the financial year i.e. March 31, 2025 is uploaded on the website of the Company in the Investor Relations Section under the tab 'Annual Return' and can be accessed at the below link https://www.vrlgroup.in/vrl_investors_desk.aspx?display=annual_return

36. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and expenditure are annexed hereto as Annexure E and forms part of this Report.

37. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 (12) read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, forms part of this report and annexed herewith as Annexure F.

A statement containing top ten employees in terms of remuneration and the names of every employee who was in employment of the Company throughout the year and was in receipt of the specified remuneration is also included therein.

38. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

39. MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments that occurred subsequent to the end of the financial year till the date of this report, which affects the financial position of the Company.

40. INDUSTRIAL RELATIONS

During the year under review, your Company experienced cordial relationship with workers and employees at all levels, throughout the year.

41. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting going concern status and company's operations for a foreseeable future.

42. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

The Company has in place a Policy for Prevention Prohibition and Punishment of Sexual Harassment of Women at Work place in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

43. ACKNOWLEDGMENTS AND APPRECIATION

The Directors take this opportunity to thank the Company's customers, shareholders, Investors, suppliers, bankers, financial institutions and Central & State Governments for their consistent support and cooperation extended to the Company. The Directors also wish to place on record their appreciation towards employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board

Dr. Vijay Sankeshwar
Chairman & Managing Director
DIN: 00217714

Place: Hubballi
Date: May 21, 2025

Annexure A
DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE

SEBI vide its Notification dated 8th July 2016 amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and inserted a new Regulation 43A thereby making it mandatory for top 500 listed entities to have a policy on Dividend Distribution which shall provide the various parameters that are to be taken into consideration before declaration of any dividend. SEBI further amended Reg. 43A and made it mandatory for all top 1000 listed entities to have above said policy. The Company being the listed entity, needs to have a policy in compliance with the said Regulation.

2. OBJECTIVE

The objective of this Policy is as follows:

- a. To define the policy and procedures of the Company in relation to the declaration / recommending Dividends.
- b. To ensure that the Company has sufficient distributable profits and/or general reserves, as determined by a review of the Company's audited financial statements, prior to any declaration and/or payment of Dividends.
- c. To ensure a regular dividend income for the members and long term capital appreciation for all stakeholders of the Company.
- d. To ensure the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes.

3. APPLICABILITY:

The policy set out herein relates to Equity Shares only and not applicable to any preference shares that the Company may issue or any other security on which dividend payment option may exist.

The Board of Directors reserves the right to modify this policy to accommodate the preference shares or make separate policy for preference shares or any other security in accordance with applicable provisions of the Companies Act, 2013 read with rules made there under as and when it deems fit and necessary or as and when it is statutorily required to the company.

The policy set out herein relates to final as well as Interim Dividend as may be proposed / recommended or declared by the Board from time to time.

4. SCOPE, LAW, RULES AND REGULATIONS:

The declaration and payment of dividend is governed by the provisions contained in chapter - VIII from section 123 to 127 of the Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules 2014 (as amended from time to time). Also, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 deals with the additional procedure for listed entities including prior intimation to Stock Exchanges, Record Date etc.

Other applicable Acts and guidelines include:

- Security Contract Regulation Act, 1956;
- Income Tax Act, 1961;
- Secretarial Standards on Dividend prescribed by the Institute of Company Secretaries of India;
- RBI Guidelines / Circulars / Notifications to the extent applicable,
- FEMA, 1999,
- SEBI Guidelines / Circulars etc.

The Company shall adhere to above laws in specific and to all other applicable laws in general while declaring or payment of dividend.

5. DECLARATION AND PAYMENT OF DIVIDEND

5.1 CIRCUMSTANCES UNDER WHICH DIVIDEND IS DECLARED

Maintaining a reasonable balance between cash retention and distribution of dividend would facilitate the smooth working of Company's affairs. The Company believes that cash retention is required for expansion and diversification of the Company including acquisitions to be made by it, and also as a means to meet contingencies.

a) Adequate Profits:

The Company shall declare dividends for a financial year out of the profits of the company for that year or out of the profits of the company for any previous financial year or years after providing for depreciation in accordance with applicable laws.

The Company reserves the right to declare interim dividend during any financial year out of the surplus in the profit and loss account and out of the profits of the financial year in which such interim dividend is sought to be declared.

b) In-adequate Profits:

In the event of inadequacy or absence of profits in any year, the Company may declare dividend out of free reserves subject to the fulfillment of the following conditions:

- The rate of dividend declared shall not exceed the average of the rates at which dividend was declared by the Company in the three years immediately preceding that year.
- The total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of its paid-up share capital and free reserves of the Company as appearing in the latest audited financial statement.
- The amount so drawn shall first be utilized to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared.
- The balance of reserves after such withdrawal shall not fall below fifteen per cent of the Company's paid up share capital as appearing in the latest audited financial statement.
- The Company shall not declare the dividend unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of the Company of the current year.

Further, in the event the Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the Company during the immediately preceding three financial years.

c) The Company shall not declare dividend in the following circumstances:

- There are reasonable grounds for believing that the Company is or would be, after a Dividend payment, unable to pay its liabilities or discharge its obligations as and when they become due;
- As a result of paying dividends, the Company would be rendered insolvent or bankrupt;
- By operation of law for time being in force.

5.2 FINANCIAL PARAMETERS OR FACTORS DETERMINING DIVIDEND

In determining the Company's dividend payout, the Board of Directors considers a variety of factors or financial parameters, including:

1. Liquidity position of the Company
2. Need for further capital
3. Stability of earnings;
4. Legal requirements, taxation & other Government policies;
5. Dividend payout history;
6. Dividend type and its time of payment;
7. Any potential corporate actions like acquisitions etc;
8. Expansion of business;
9. State of the Indian economy as also the Logistics Industry;
10. Favourable state of the capital markets;
11. Statutory conditions or restrictions as may be provided under applicable laws

5.3 USAGE OF RETAINED EARNINGS

Company can use its retained earnings to gain competitive advantage. The competitive advantage can be achieved by increasing sales or by increasing profit margin. To improve sales or margins company shall either expand its capacity or modernize its facility to make it more productive. For both expansion and modernization's plans retained earnings can be utilized by the Company.

5.4 PERSONS ENTITLED TO RECEIVE DIVIDENDS

Save as provided in Section 27 of the Securities Contracts (Regulation) Act 1956, all persons whose name appears on the register of members as on the record date fixed by the Company for determining eligible shareholders for dividend are entitled to receive dividends.

5.5 PROCEDURE FOR PAYMENT OF DIVIDEND

- Company shall declare and disclose the dividend on per share basis only in terms of Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Section 91 of Companies Act, 2013.

- Prior intimation as required under Regulation 29 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 shall be given to Stock Exchanges within such days as prescribed in the said Regulations.
- Outcome of the Board Meeting where dividend is final or interim recommended / declared by the Board shall be intimated to Stock Exchanges within 30 minutes of conclusion of Board Meeting as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- Record date shall be fixed in compliance with Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and shall also be intimated to Stock Exchanges within such time as prescribed in the said Regulations.
- The amount of the dividend (including interim dividend), must be deposited in a scheduled bank in a separate account within 4 days from the date of declaration of such dividend.
- The dividend has to be paid within 25 days from the date of declaration or such other period as is applicable by law.
- No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker.
- The dividend is paid under two modes viz., (a) Credit to the bank account via Electronic Clearing Services (ECS)/ National Electronic Clearing Services (NECS)/SWIFT transfer; and (b) Dispatch of physical dividend warrant/cheque to the concerned shareholder.
- A cheque or warrant for payment of Dividend should be valid for three months from the date thereof and, where such cheque or warrant remains unpaid after this initial period of validity, it should be revalidated for not more than three months or a fresh instrument should be issued which should have a validity of three months.
- The Company should revalidate the Dividend warrant or issue a fresh Dividend warrant or a demand draft or pay order in lieu thereof, within 30 days of the receipt of a request for revalidation.
- A duplicate Dividend warrant should be issued only after the expiry of the validity of the Dividend warrant and the reconciliation of the paid amounts thereof. In case the original instrument is not tendered to the company, a duplicate warrant should be issued only after obtaining requisite indemnity/ declaration from the Shareholder.
- In the case of defaced, torn or decrepit Dividend warrants, a duplicate warrant may be issued before the expiry of the validity period of the Dividend warrant on surrender to the company of such defaced, torn or decrepit warrant.
- Particulars of every Dividend warrant issued as aforesaid should be entered in a Register of Duplicate Dividend Warrants, indicating the name of the person to whom the Dividend warrant is issued, the number and amount of the Dividend warrant in lieu of which the duplicate warrant is issued and the date of issue of such duplicate warrant.
- Company shall follow other procedures laid down under the Companies Act 2013 or SEBI Rules and Regulations as may be applicable in respect of declaration of dividend (interim or final).

6. DEDUCTION OF TAX

In terms of provisions of the Income Tax Act, 1961, (Act), dividend paid or distributed by the Company on or after 1st April, 2020 is taxable in the hands of shareholders. The Company will therefore deduct tax at source at the time of payment of dividend. In pursuant to section 194 of the Income Tax Act, 1961, Tax will be deducted at source ("TDS") on the amount of dividend payable to the shareholders of the Company at the prevailing rate prescribed in the said Act unless exempt under any provisions of the Act.

7. UNCLAIMED DIVIDEND

- Dividend that has been declared by the Company and not been paid or claimed by the shareholder, within 30 days from the date of such declaration, the Company shall within seven days from the expiry of the said 30 days, transfer such unpaid or unclaimed dividend amount in a special account to be opened/re-designated with any scheduled bank which shall be called the unpaid dividend account. Any person claiming to be entitled to any money transferred to unpaid dividend account may apply to the Company for payment of the money claimed.
- The Company would within a period of 90 days of making the transfer of dividend amount to the unpaid dividend account, prepare a statement containing the names, the shareholders' last known addresses and the unpaid dividend amount and place it on its website and also on the website/person/authority/committee approved by the Central Government.
- Dividend that is not en-cashed or claimed, within seven years from the date of its transfer to the unpaid dividend account, will, in terms of the provisions of Section 125 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund (Fund) established by the Central Government within 30 days from the date of becoming due to transfer to the Fund.
- The Company would also transfer the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in favour of Investors Education and Protection Fund.

- The Company would within a period of 60 days after holding Annual General Meeting and thereafter till seven years, prepare a statement of unpaid and unclaimed dividend containing the names, the shareholders' last known addresses and the unpaid dividend amount and place it on its website.
- In case shareholder has any unclaimed/ unpaid dividends in respect of the financial years mentioned in our website, may apply for payment in terms of section 124(4) of Act and shall write to Registrar and Share Transfer Agent of the Company for claiming the amount.
- Before transferring any amount to the Investor Education and Protection Fund, the company should give individual intimation to the Members in respect of whose unclaimed Dividend the amount is being transferred, at least three months before the due date of such transfer.
- After the expiry of the period of seven years from the date from which unclaimed and unpaid Dividends were transferred to the Unpaid Dividend Account, no claims shall lie against the company in respect of any such amounts. Hence, the company should intimate the concerned Members individually of the amount of Dividend remaining unclaimed which is liable to be transferred to the Investor Education and Protection Fund and advising the Member to claim such amount of Dividend from the company before such transfer

8. AMENDMENTS TO THE POLICY:

In case of any subsequent changes in the provisions of the Companies Act 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, or Income Tax Act, 1961 or any other regulations which makes any of the provisions of this Policy inconsistent with the Act or such other regulations, then the provisions of the Act or such other regulations would prevail over this Policy and the relevant provisions contained in this Policy would be modified accordingly in due course to make it consistent with applicable laws.

The Board of Directors of the Company may subject to applicable laws amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in this Policy will be resolved by the Board of Directors in line with the broad intent of this Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

Annexure B
NOMINATION AND REMUNERATION POLICY

I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with Part D sub clause (A) of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company has already constituted Remuneration Committee as required under the said laws. In order to align with the provisions of the Companies Act, 2013 and the Listing Agreement as amended from time to time, the Board on 26 August 2014 changed the nomenclature of the "Remuneration Committee" to "Nomination and Remuneration Committee".

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and applicable provisions of SEBI Listing Regulations.

II. OBJECTIVE

The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

III. DEFINITIONS

- (i) "Board" means Board of Directors of the Company.
- (ii) "Company" means "VRL Logistics Limited."
- (iii) "Employees' Stock Option" means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- (iv) "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013 read with / SEBI Listing Regulations.
- (v) "Key Managerial Personnel" (KMP) means
 - (i) Chief Executive Officer or the Managing Director or the Manager,
 - (ii) Company Secretary,
 - (iii) Whole-time Director,
 - (iv) Chief Financial Officer and
 - (v) Such other officer termed as KMP by the Company
- (vi) "Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations.
- (vii) "Policy or This Policy" means, "Nomination and Remuneration Policy."
- (viii) "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- (ix) "Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Board of Directors, including all the functional heads.

IV. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, SEBI Listing Regulations and/or any other SEBI Regulation(s) as amended from time to time.

V. GUIDING PRINCIPLES

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Management

team . Directors of the quality required to run the Company successfully

- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

VI. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d) To carry out evaluation of every Director's performance.
- e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h) To devise a policy on Board diversity.
- i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of such duties.

VII. MEMBERSHIP

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and other applicable statutory requirements.
- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

VIII. CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee should be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

IX. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

X. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

XI. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

XII. SECRETARY

The Company Secretary of the Company shall act as the Secretary to the Committee.

XIII. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- Appointment criteria and qualifications:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- Term / Tenure:**

1. Managing Director/Whole-time Director/Manager (Managerial Person): - The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of such term.

2. **Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular intervals (yearly).

- Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

- Retirement:**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

XIV. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

- General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required under law.

2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
 3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs, if any, approved by the Shareholders whenever required under law. Increments will be effective from the date of reappointment in respect of Managerial Person.
 4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.
- **Remuneration to Managerial Person, KMP and Senior Management:**
 1. Fixed pay: Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
 2. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
 3. Provisions for excess remuneration: If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
 - **Remuneration to Non-Executive / Independent Director:**
 1. Remuneration / Commission: The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
 2. Sitting Fees: The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
 3. Limit of Remuneration /Commission: Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
 4. Stock Options: An Independent Director shall not be entitled to any stock option of the Company.

XV. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

XVI. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case. The Board shall have such authority to approve deviations on the recommendation of the Nomination and Remuneration Committee.

XVII. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure C

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2025
(Form MR-3)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
VRL Logistics Limited
Hubballi

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VRL Logistics Limited. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the VRL Logistics Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by VRL Logistics Limited, for the financial year ended on 31st March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

The Company has not dealt with Employee Stock Option Scheme and Employee Stock Purchase Scheme, Issue and Listing of Debt Securities, Equity/ Redeemable Preference Shares and therefore the following regulations are not applicable:-

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013

- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2009;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009 (SEBI ICDR Regulations, up to September 10,2018 And SEBI ICDR Regulations,2018 w.e.f September 11,2018. and
- (f) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;
- (vi) Other laws applicable as per the representations made by the management;

Carriage by Road Act 2007,

Motor Vehicles Act, 1988

The Carriage by Air Act 1972

The Petroleum Act 1934

The Food Safety and Standards Act 2006

The Consumer Protection Act 1986

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange.

During the period under review, as per the explanations and representations received from the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that based on the information provided and representation made by the Company and on the basis of Compliance report taken on record by the Board, in my opinion adequate systems and processes exist in the Company to monitor and ensure Compliance with other laws applicable, rules, regulations and guidelines.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.

In general, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and wherever shorter notices were given, the same was given with the consent of all the Directors and such meetings were held with the participation of Independent Director/s and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes of the Meetings recorded, the decisions of the Board were unanimous, and no dissenting views have been recorded.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates/reports taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period,

- a) The Income Tax Department has issued an assessment order for AY 2023-24 under section 143(3) read with Section 144B of the Income Tax Act, 1961 demanding additional tax liability of Rs. 8.12 Crores. However, the Company is of the view that the demand was purely due to misinterpretation of the provisions of the Income Tax Act 1961 in respect to slump sale of undertaking of the Company during the above said assessment year. The Company has already filed an appeal against the same before the Commissioner of Income Tax (Appeal)/the Joint Commissioner of Income Tax (Appeal) and confident of favorable order and the same is not likely to have a major bearing on the affairs of the Company.

b) There are some continuing civil/criminal proceedings pending with appropriate authorities/Courts and the same is not likely to have a major bearing on the Affairs of the Company.

Place : Bangalore
Date: May 21, 2025

R.Parthasarathy
ACS No.3667
C P No:838
UDIN: A003667G000396257
P/R No.6632/2025

This report is to be read with our letter of even date which is annexed as Annexure-A, which forms an integral part of this report

'Annexure A' to the Secretarial Audit Report

To,
The Members,
VRL Logistics Limited
Hubballi.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and the applicable financial laws such as Direct and Indirect tax laws have not been reviewed since the same are subject to review under Statutory Audit and Other Audit/s by designated professionals.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Bangalore
Date: May 21, 2025

R.Parthasarathy
ACS No.3667
C P No:838
UDIN: A003667G000396257
P/R No.6632/2025

**SECRETARIAL COMPLIANCE REPORT OF VRL LOGISTICS LIMITED
FOR THE FINANCIAL YEAR ENDED 31.03.2025.**

I have examined:

- (a) all the documents and records made available to us and explanation provided by VRL LOGISTICS LIMITED ("the listed entity"),
 - (b) the filings/ submissions made by the listed entity to the Stock Exchanges,
 - (c) website of the listed entity,
 - (d) any other document/ filing, as may be relevant, which has been relied upon to make this Report.
- for the financial year ended 31.03.2025 in respect of compliance with the provisions of:
- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the SEBI;

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (LODR) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

and circulars/ guidelines issued thereunder;

The following regulations are excluded in this report in view of company not dealing with Employee Stock Option Scheme and Employee Stock Purchase Scheme, Buy Back of Shares, Issue and Listing of Debt/ Securities/ redeemable preference shares:

- (a) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (b) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021.
- (c) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021.
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and based on the above examination,

I hereby report that, during the Review Period:

- (a) VRL LOGISTICS LIMITED, the listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

I hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observation s/Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	
2.	Adoption and timely up dation of the Policies: <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/ guidelines issued by SEBI. 	Yes Yes	
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> • The listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/section of the website. 	Yes Yes Yes	
4.	Disqualification of Director(s): None of the director(s) of the listed entity is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity	Yes	
5.	Details related to subsidiaries of listed entities have been examined w.r.t: (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries.	NA NA	Company has no subsidiaries
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per policy of preservation of documents and archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the board, independent directors and the committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of audit committee for all related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the audit committee.	Yes NA	No such instances reported.
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	

10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder (or) The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	No	No such instances reported.
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	No	No such instances reported.
13.	Additional non-compliances, if any: No additional non-compliances observed for any SEBI regulation/ circular/guidance note etc. except as reported above.	Nil	

I further report that the provisions relating to disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations are not applicable.

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place : Bangalore
Date: May 21, 2025

R.Parthasarathy
ACS No.3667
C P No:838
UDIN: A003667G000396257
PR No.6632/2025

Annexure D**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. A brief outline of the company's CSR policy.**

VRL Logistics Ltd. has always been committed to the cause of social service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company has taken up various Corporate Social Responsibility (CSR) initiatives and enhanced value in the society. The Company has formulated a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

CSR Objects

The Company firmly believes that CSR is primarily, the responsibility of the Company in relation to the impact of its decisions and activities on the society and also the environment, through a transparent and ethical behavior which is:

- (a) consistent with sustainable development and welfare of society,
- (b) taking into account the expectations of stakeholders,
- (c) is in compliance with applicable law, and
- (d) is uniformly integrated and practiced throughout the Company.

Scope

In furtherance of its CSR objects, the Company proposed to meet its CSR obligation through a combination of one or more of the following:

- i. CSR activities implemented by the Company on its own,
- ii. CSR activities of the Company through an external trust/society/Implementation Agency.

2. Composition of the CSR Committee

The Board has duly constituted a CSR Committee and its composition as of March 31, 2025 is as under-

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
1	Dr. Vijay Sankeshwar	Chairman and Managing Director	3	3
2	Dr. Anand Sankeshwar	Managing Director	3	3
3	Mr. Vinaykumar Javali	Independent Director	3	2
4	Mr. Virupaxagouda A Patil	Independent Director	3	0

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**CSR Policy**

The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR policy of the Company is hosted on the website of the Company and can be accessed at the below link –

http://www.vrlgroup.in/investor_download/CSR%20POLICY.pdf

The composition of the CSR committee is also available on our website, at http://www.vrlgroup.in/vrl_investor_desk.aspx?display=board_committees

The Board, based on the recommendation of the CSR committee, at its meeting held on May 21, 2025, has approved the annual action plan / projects for fiscal 2025-26, the details of which are available on our website, at https://www.vrlgroup.in/vrl_investors_desk.aspx?display=CSR_Annual_Action_Plan

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ lakhs)	Amount required to be set-off for the financial year, if any (in ₹ lakhs)
1	2023-24	36.82	36.82

6. Average Net profit of the Company as per section 135(5) :

The average net profits for the last three financial years computed as stated under Section 135 of the Companies Act, 2013 works out to ₹ 18,816.37 lakhs.

7. (a) Two per cent Average net profit of the Company as per section 135 (5)

As stipulated under the Companies Act, 2013, the prescribed CSR expenditure i.e 2 % of the amount as in item no.6 above works out to ₹ 376.33 lakhs.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – Nil

(c) Amount required to be set off for the financial year, if any - ₹ 36.82 lakhs (FY 2023-24)

(d) Total CSR Obligation for the Financial Year (7(a) + 7(b) – 7(c). ₹ 339.51 lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)			
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
	Amount	Date of Transfer	Name of Fund	Amount.
350.62	NIL	NA		NIL

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
										Name CSR Registration Number

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Lakhs)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Promoting Education -Rural Areas of Karnataka- Financial Assistance towards Setting up of Machinery and Equipments, Software Electrification for AGM College Engineering College, Varur for the welfare of poor and needy students.	(ii)	Yes	Karnataka	Dharwad	25.00	No	Swastishri 105 Dharmasen Bhattacharya Mahaswami Digamber Jain Math	CSR00080861
2	Promoting Health care- Joint Project for HPV vaccination for prevention of cervical cancer to 1000 female students	(i)	Yes	Karnataka	Dharwad	25.00	No	Rotary Foundation	CSR00000626
3	Promoting Education - Divyanga Sahayata Project towards Financial Assistance to Talented Students for Education	(ii)	Yes	Karnataka	Dharwad	25.00	No	Majethia Foundation	CSR00010565
4	Promoting Education care- partial funding for construction of School Building	(ii)	No	Karnataka	Gadag	25.00	No	Vidyadana Samiti	CSR00072324
4	Promoting Education and Healthcare- Towards Multiple Gurukul projects for underprivileged weaker section of the society	(i)&(ii)	No	Maharashtra	Kolhapur	22.00	No	Siddhagiri Gurukul Foundation	CSR00007041
5	Promoting Old age Homes- Towards setting up of additional infrastructures at Old Age Home	(iii)	No	Karnataka	Belgavi	20.00	No	Shantai Vrudhashram Society	CSR00069730
6	Promoting Education – Providing financial assistance for establishing a “New Smart Class” for providing skill based Education for students	(ii)	No	Karnataka	Uttar Kannada	15.00	No	G N Hegde Trust	CSR00038768

7	Promoting Health care- Providing Medical Aid and Assistance for Challenged Individuals, Health Check for Students, Blood and Eye Donation Camps	(i)	No	Karna-taka	Ramana-gara	15.00	No	Sri Shivayogi Muniswara Swamy Vidyapeetha	CSR00075948
8	Promoting Education – Providing financial assistance towards good quality food in the interest of their health and nourishment and get quality education	(ii)	No	Karna-taka	Uttar Kan-nada	15.00	No	Vishwadarshana Education Society (R)	CSR00011083
9	Promoting Healthcare – Purchase of efficient boiler system for cooking meals for students and entire staff campus for better health.	(i)	No	Karna-taka	Bengaluru	14.43	No	Dharma Chakra Trust	CSR00004631
10	Promoting Sports- Equality Empowerment and Safety for Women and Girls and encourage sports for young and talented young people across India.	(vii)	No	Maha-rashtra	Mumbai	10.00	No	Ab Jeetega India Foundation	CSR00054982
11	Promoting Sports- Expenses towards Fitness Program especially for school children under the brand Fitness Gram- towards STEM Lab & Fitness Test and certification of youth at Govt. Schools	(vii)	No	Goa	Goa	10.00	No	Goa Corporate Social Responsibility	CSR00021574
12	Promoting Healthcare- Providing healthcare by giving Dialysis facility for poor needy and economically backward weaker sections classes in the Urban Areas through "Asha Kiran Dialysis Centre".	(i)	No	Karna-taka	Bengaluru	10.00	No	Mysore Oodhabathi Manufacturers Charitable Trust	CSR00019005
13	Promoting Education- Providing financial assistance for the construction of nine new class rooms for supporting poor students at School	(ii)	No	Karna-taka	Dharwad	10.00	No	Rotary Midtown Educational and Welfare Society	CSR00075956

14	Promoting Rural Developments - CSR Expenses towards Project "Swagrama Fellowship" participation and undertake to bear the cost related to 'Seed fund for the development programs' of nearly 20 Villages for the village development.	(i)	Yes	Karna-taka	Bengaluru	10.00	No	Youth for Seva	CSR00000368
15	Promoting Healthcare-purchase of Medical expenses For Healthcare Related Activity.	(i)	No	Andhra Pradesh	Vijaywada	5.79	No	Connect to Andhra	CSR00008366
16	Promoting Education-Providing financial assistance for the poor and needy deserving students , Distributing School Uniforms, Smart ClassroOms, Training and Education to Girl child Promoting Education-(ii)	(i)	Yes	Karna-taka	Dharwad	10.00	No	MJE Society's Lions School, Hubballi	CSR00077813
17	CSR contribution towards construction of School Roof Top through Renovation for poor students	(ii)	No	Karna-taka	Uttar Kan-nada	15.0	Yes	NA	NA
18	Promoting Education-CSR Expenses towards Sense Essence – Braille Project for Visually Blind persons	(ii)	Yes	Karna-taka	Dharwad	8.68	Yes	NA	NA
19	Promoting Sports-Providing support towards purchase of sports games materials for Marathon Event at Hubballi	(vii)	Yes	Karna-taka	Dharwad	7.47	Yes	NA	NA
20	Promoting Education–Honararirum paid to Primary School Teachers for teaching poor and deserving students	(ii)	Yes	Karna-taka	Dharwad	4.40	Yes	NA	NA
21	Promoting Education – Educating Children of Economic weaker section of the society	(ii)	No	Karna-taka	Ben-galuru	4.00	No	Souhardha	CSR00049718
22	Promoting Education – Educating Children of Economic weaker section of the society	(ii)	No	Karna-taka	Ben-galuru	2.00	No	Rashtreey Sikshana Samiti Trust	CSR00012218

23	Promoting Sports– Providing support towards the personality development of an Individual for his participation at weightlifting Competition at National and Olympics Event	(vii)	No	Karna-taka	Gadag	2.40	Yes	NA	NA
24	Promoting Sports– Providing support towards the purchase of Medals and Ribbons for the Karate Event	(vii)	Yes	Karna-taka	Dharwad	4.00	Yes	NA	NA
25	Promoting Education – Providing support to young Entrepreneurs by fostering entrepreneurship through networking, funding, mentoring, and incubation.	(ii)	Yes	Karna-taka	Dharwad	3.54	Yes	NA	NA
26	Promoting Education- CSR expenses towards Education to deserving Student-(Shashidhar Angadi) Don Bosco Institute of Technolgy	(ii)	No	Karna-taka	Bengaluru	2.10	Yes	NA	NA
27	Promoting Education- CSR Expenses towards Education to deserving Student- Sri Chaitanya Schools Bangalore	(ii)	No	Karna-taka	Ben-galuru	1.32	Yes	NA	NA
28	Promoting Education- CSR expenses towards Education to deserving Student-(Kavya Patil) Amrutha Ayurveda Medical College	(ii)	No	Karna-taka	Chitra-durga	2.50	Yes	NA	NA
29	Promoting Education- CSR Expenses towards Education to deserving Student- Shrinivasa Gouda Patil -Alva Education Foundation	(ii)	No	Karna-taka	Chick-magaluru	2.15	Yes	NA	NA
30	Promoting Sports– Providing support towards the purchase of equipments for International Skate Event-Trisha Praveen Jadala	(vii)	Yes	Karna-taka	Dharwad	1.50	Yes	NA	NA
31	Promoting Education- CSR expenses towards Education to deserving Student-(Nandish Nemati) Prajna Educational Trust REG	(ii)	No	Karna-taka	Shivamog-ga	1.15	Yes	NA	NA

32	Promoting Women Empowerment– Providing support towards social service initiatives	(iii)	Yes	Karna-taka	Dharwad	1.50	Yes	NA	NA
33	Promoting Healthcare Facility- CSR Expenses Towards Providing financial assistance for Hospital Treatment Charges/Bills towards an Individual- Mr. Shanmukh- Karturba Hospital	(i)	No	Karna-taka	Bengaluru	1.43	Yes	NA	NA
34	Promoting Old Age homes- CSR Expenses towards purchase of Grocery items for old aged peoples in old age home	(iii)	Yes	Karna-taka	Dharwad	1.22	Yes	NA	NA
35	Promoting Education- CSR expenses towards Education to deserving Student-(Rashmitha) Jai Education Society	(ii)	Yes	Karna-taka	Dharwad	0.19	Yes	NA	NA
36	Promoting Education- CSR expenses towards Education to deserving Student-(Yashodeep) Jnana Deepthi English School	(ii)	No	Karna-taka	Bengaluru	0.15	Yes	NA	NA
					TOTAL	333.92			

(e) Amount spent in Administrative Overheads: Rs. 16.70 Lakhs

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year: Rs. 350.62 lakhs

(8b+8c+8d+8e)

(g) Excess amount for set off, if any-

SI No.	Particular	Amount (in ₹ lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	339.51*
(ii)	Total amount spent for the Financial Year	350.62
(iii)	Excess amount spent for the financial year [(ii)-(i)]	11.11
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	11.11

*Amount derived from 7(d) above after setting off carry forward eligible.

(a) Details of Unspent CSR amount for the preceding three financial year: Nil

Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

Not Applicable

- 9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.
(asset-wise details).**
- (a) Date of creation or acquisition of the capital asset(s) -**Not Applicable**
- (b) Amount of CSR spent for creation or acquisition of capital asset - **Nil**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **Nil**
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **Nil**
- 10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not Applicable**

Dr. Vijay Sankeshwar
Chairman & Managing Director
(DIN: 00217714)
Place: Hubballi
Date: May 21, 2025

Dr. Anand Sankeshwar
Managing Director
(DIN: 00217773)
Place: Hubballi
Date: May 21, 2025

ANNEXURE 'E'

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo pursuant to the provisions of section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A) CONSERVATION OF ENERGY

I) Steps taken by the Company or impact on conservation of energy

1. VRL is upgrading its fleet by acquiring Bharat Stage VI (BS-VI) compliant vehicles, which offer improved fuel efficiency and reduced emissions.
2. Undertaking pro-active steps on Fuel management System by implementing advanced fuel monitoring systems to optimize fuel usage and regular maintenance of vehicles to ensure they are running efficiently.
3. Replacement of Diesel forklifts with battery based forklifts.
4. The Company makes use of renewable energy by installing solar panels at company facilities and hubs to reduce dependency on non-renewable energy sources.
5. For efficient energy and environment conservation, we have started replacing normal lead acid battery with lithium-ion batteries since the lead acid battery has an advantage of about 50 % efficiency as compared to lithium-ion batteries
6. Undertaking Water Conservation by implementing water-saving technologies such as rain water harvesting in company facilities and reusing and recycling water where possible, especially in bigger transshipment hubs
7. Ensuring Driver Training programs on a regular basis by way of conducting training to drivers in eco-friendly driving techniques to reduce fuel consumption and encouraging practices such as reduced idling and optimal speed maintenance.
8. Environmental Awareness Programs by way of conducting awareness campaigns for employees on the importance of environmental conservation and encouraging employee participation in local environmental initiatives and community clean-up drives
9. Addition of new electric and CNG vehicles to the fleet.
10. Utilizing energy-efficient lighting and equipment in offices and warehouses.

II) The steps taken by the Company for utilizing alternate sources of Energy

The Company has taken various steps to utilize alternate source of energy as detailed below :

I. USE OF BIOFUELS

VRL pioneered usage of Bio diesel for its CV fleet and our past reports amply demonstrate the large quantity usage of this fuel source. However, during the last two years the same was not possible owing to its short supply and unviable pricing.

II. ADOPTION OF ELECTRIC VEHICLES (EVs)

- Increasing the number of electric vehicles in their delivery and transportation fleet.

III. UTILIZATION OF SOLAR ENERGY

Solar Panel Installation:

- Installing solar panels on the rooftops of warehouses, offices, and other facilities.
- Utilizing solar energy to power lighting and other electrical equipment in their premises.

III) The capital investment energy conservation equipment

A sum of ₹ 594.69 lakhs and ₹ 727.66 lakhs were incurred for the procurement of 97 electric and 25 CNG vehicles respectively.

B) TECHNOLOGY ABSORPTION

Disclosure of Particulars with respect to Absorption of Technology etc.,

- I. Efforts, in brief, made towards absorption, adaptation and innovation-**NIL**
- II. Benefits derived as a result of the above efforts, e.g. products, improvement, cost reduction, product developments, import substitution etc. **NIL**
- III. In case imported technology (imported during the last 5 years reckoned from the beginning of the financial year) - **NIL**
- IV. Research and Development

1. Specific Areas in which R & D is carried out by Company

Nil

2. Benefits Derived out of above R &D.

Not Applicable

3. Future plan of action

We are procuring only electric forklifts and would also continue to convert the balance diesel forklifts to electric forklifts. We are targeting the replacement of Lead Acid Batteries with Lithium-Ion batteries in at least 175 branches in the ensuing fiscal.

4. Expenditure on R&D

- | | | |
|---|---|--|
| a) Capital | } | No specific allocation is made in terms of R&D expenditure |
| b) Recurring as a percentage of turnover. | | |

The same is an ongoing process. Total and costs incurred on the same are expensed off.

C. FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

	₹ in lakhs)	
Particulars	FY-2024-25	FY-2023-24
A) Expenditure in foreign currency (accrual basis)		
Aircraft maintenance	-	543.81
Professional fees	-	-
Total	-	543.81
B) Earnings in foreign currency (accrual basis)		
Total	-	-
C) Value of imported and indigenous materials Spare parts and components including tyres, flaps and re-treading		
Imported	-	-
Amount	-	-
Percentage	-	-
Indigenous	-	-
Amount	14,844.22	13,607.40
Percentage	100	100
Total	14,844.22	13,607.40

ANNEXURE 'F'

A. Statement of particulars of Employees pursuant to Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employee for the financial year

Sl. No.	Name	Designation	Ratio of Remuneration
1	Dr. Vijay Sankeshwar	Chairman & Managing Director	192:1
2	Dr. Anand Sankeshwar	Managing Director	188:1
4	Mr. L. R. Bhat	Executive Director	94:1

Notes:

- None of the other directors are paid any remuneration other than sitting fees. As such their names are not included in the above table.
- Considering the industry in which the Company operates, it is pertinent to note that a majority of the employees of the Company comprise of Drivers, Cleaners, Mechanics and Hamals whose salary would be as per the industry standards.
- Computation of median as detailed above is arrived at also considering the salary drawn by said drivers, cleaner, mechanics and hamals.
- Computation of the said median salary is purely based on the expenditure recognized under employee cost to the Company which excludes other allowances and incentives drawn by these employees which are accounted under Operating Expenses.

2. The percentage increase in remuneration of each Director, KMP's in the financial year

Sl. No.	Name	Designation	Increase / (Decrease) in %
1	Dr. Vijay Sankeshwar	Chairman & Managing Director	15.20
2	Dr. Anand Sankeshwar	Managing Director	20.00
3	Mr. L. R. Bhat	Executive Director	11.11
4	Mr. Sunil Nalavadi	Chief Financial Officer	11.11
5	Mr. Aniruddha Phadnavis	Company Secretary	8.68

Note:

None of the other directors are paid any remuneration except sitting fees and reimbursement of expenses for attending Board and Committee meetings. The details of sitting fees paid are given in the report on Corporate Governance which forms part of this Annual Report.

3. The percentage increase in the median remuneration of employees in the financial year

The increase in the median remuneration during the year was to the extent of 1.64%*. This represents a normal increase in the remuneration paid to employees and also correlates to the hike in the minimum wages effected across the country during the last fiscal.

* - Last year, there was an appraisal due to the increment cycle which accounted for 19.21% increase in the salary. However, in the FY – 25, the salary increase has been based on minimum wage increase and no appraisal has been done. Thus, the increase is 1.64%.

4. The number of permanent employees on the rolls of the Company

There were 22236 employees as on March 31, 2025.

5. Average percentile increase already made in the salaries of employees other than the Managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

The increase in the remuneration percentage for the CMD was owing to the higher quantum of commission paid, which is derived as a percentage of profits. The increase in remuneration of the Managing Director was in line with the approval accorded by the share holders. The change made in the remuneration being paid to KMPs is in line with the industry practice and for the fiscal lower than the percentile increase effected in respect of non-managerial personnel.

6. Affirmation that the remuneration is as per the remuneration policy of the Company

The remuneration paid is in accordance with the remuneration policy of the Company.

Statement of particulars of employees pursuant to rule 5(2) of Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014

A. Employed throughout the year and were in receipt of remuneration of not less than ₹ 102 Lakhs per annum

SL No	Name & Qualification	Age, Designation	Remuneration (₹ in Lakhs)	Exp in Yrs	Date of Joining	Previous employment/ position held of employment
1	Dr. Vijay Sankeshwar, B.Com.	74, Chairman & Managing Director	460.00	50	31.03.1983	-----
2	Dr. Anand Sankeshwar, B.Com.	50, Managing Director	360.00	35	01.12.1990	-----
3	Mr. L R Bhat D.M.E.	66, Chief Technical Officer	180.04	44	01.07.1995 (re-appointed on 14.03.2014)	14 year service in Ashok Leyland Limited as Deputy Manager.
4	Mr. Sunil Nalavadi B.Com., ACA.	47, Chief Financial Officer	180.04	20	31.03.2005	Started his career in the Company as Chief Accounts Officer.
5	Mr. Aniruddha Phadnavis, B.Com., ACA, ACS, LLB.	45, Company Secretary & Compliance Officer	161.44	20	01.06.2007	3 year service in Canara Bank as a Manager.

B. Employed for a part of the year and were in receipt of remuneration of not less than ₹ 8.50 Lakhs per month : NIL

C. Top 10 employees in terms of remuneration

SL No	Name & Qualification	Age, Designation	Remuneration (₹ in Lakhs)	Exp in Yrs	Date of Joining	Previous employment/ position held of employment
1	Dr. Vijay Sankeshwar B.Com	74, Chairman & Managing Director	460.00	50	31.03.1983	-----
2	Dr. Anand Sankeshwar B.Com	50, Managing Director	360.00	35	01.12.1990	-----
3	Mr. L R Bhat D.M.E	66, Chief Technical Officer	180.04	44	01.07.1995	14 year service in Ashok Leyland Limited as Deputy Manager
4	Mr. Sunil Nalavadi B.Com, A.C.A.	47, Chief Financial Officer	180.04	20	31.03.2005	Started his career in the Company as Chief Accountant
5	Mr. Aniruddha Phadnavis, B.Com, ACA, ACS, LLB,	45, Company Secretary & Compliance Officer	161.44	20	01.06.2007	3 year service in Canara Bank as a Manager

6	Mr. Raghavendra B Malgi, B.Com, L.L.B, CA	56, Vice President – Accounts	67.24	19	01.06.2009	2 years service as Chief Accounts Officer in Gokak Textiles Ltd. 7 years service as Senior Manager (Accounts) in Somaia Group
7	Mr. Bapu U Makkannavar B.E. Auto	54, Vice President	36.99	29	01.02.2014	Started his career in the Company as Engineer
8	Mr. Praveen Nageshwarprasad Singh Under Graduate	43, Vice President	36.00	18	01.03.2007	Started his career as an Incharge at Deepak Transport for two years and later worked as a Marketing Executive at DRL Roadlines Pvt Ltd for one year prior to joining the Company
9	Mr. Druvaraj N Kulkarni B.Com.	65, Vice President (Finance)	31.20	38	01.11.1987	Started his career in the Company as Accountant
10	Mr. Suresh Annavajhala M.Sc.(Chem)	56, Vice- President	30.04	11	12.10.1995	Worked with several leading logistics providers including Gati Ltd

Notes:

1. Remuneration shown above includes salary and perquisites but does not include Company's contribution to Provident Fund / Gratuity Fund.
2. The monetary value of perquisites is calculated in accordance with the provisions of the Income Tax Act, 1961 and Rules made there under.
3. Nature of Employment of the Executive Directors as stated above is contractual. The other individuals named above are employees of the Company.
4. None of the employees listed above held any shares in the Company as of 31.03.2025 except Dr. Vijay Sankeshwar who held 2,47,80,564 equity shares (28.33% of the paid up capital of the Company), Dr. Anand Sankeshwar who held 2,74,90,821 (31.43% of the paid up capital of the Company) equity shares and Mr. L R Bhat who holds 2097 equity shares jointly with his spouse.
5. Dr. Vijay Sankeshwar, Dr. Anand Sankeshwar and Mr. Shiva A Sankeshwar are related to each other.

Dr. Vijay Sankeshwar
Chairman & Managing Director
DIN: 00217714
Place: Hubballi
Date: May 21, 2025

Dr. Anand Sankeshwar
Managing Director
DIN: 00217773
Place: Hubballi
Date: May 21, 2025

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

India's logistics sector is the backbone of its economy, facilitating the movement of goods and services across vast geographical regions. The industry is rapidly evolving, driven by infrastructure advancements, policy reforms, digitalization, and sustainable initiatives. With the implementation of projects like PM GatiShakti and dedicated freight corridors, India is moving towards an integrated and efficient logistics ecosystem.

The Indian logistics industry is valued at approximately \$250 billion, contributing about 14% to the country's GDP. It encompasses various modes of transport, including road, rail, air, and waterways. The sector is driven by key players such as trucking companies, third-party logistics providers (3PLs), warehousing firms, e-commerce giants, and government agencies.

1. Key Segments:

- **Road Transport:** Accounts for about 60% of freight movement, supported by the extensive highway network.
- **Rail Transport:** A crucial part of bulk logistics, especially for commodities like coal, iron ore, and cement.
- **Air Cargo:** Mostly used for high-value, time-sensitive shipments, including pharmaceuticals and electronics.
- **Waterways & Ports:** India's maritime trade is expanding, leveraging inland and coastal shipping for cost effective bulk transportation.

Developments and Trends in the Indian Logistics Industry

India's logistics landscape is undergoing a transformation, driven by several key developments:

A. Government Initiatives & Policy Reforms

- PM GatiShakti National Master Plan: Focuses on integrated infrastructure planning to improve logistics efficiency.
- National Logistics Policy (NLP): Aims to reduce logistics costs and improve sector competitiveness.
- GST Implementation: Has streamlined the movement of goods, eliminating interstate checkpoints and reducing transit delays.
- Dedicated Freight Corridors (DFC): Boosts rail freight transport efficiency, reducing logistics costs.

B. Infrastructure Investments

- Expansion of National Highways and Expressways to enhance road transport.
- Development of Multi-modal Logistics Parks (MMLPs) for seamless cargo movement.
- Port modernization projects under Sagarmala to improve maritime trade efficiency.

C. Digital Transformation

- Adoption of AI, IoT, and Blockchain for real-time tracking and operational efficiency.
- Growth of digital freight matching platforms connecting shippers with logistics providers.
- Increased use of telematics and automated warehousing solutions.

D. Sustainable and Green Logistics

- Investment in electric trucks and fuel-efficient transport solutions.
- Promotion of rail and waterways to reduce carbon footprint.
- Implementation of green warehousing practices using renewable energy.

E. Challenges in Indian Logistics

Despite advancements, the sector faces several hurdles:

- **High Logistics Costs:** India's logistics expenses account for 13-14% of GDP, higher than global averages.

- Infrastructure Gaps: Poor road conditions and congestion affect efficiency.
- Fragmentation: The industry is dominated by small, unorganized players.
- Skilled Workforce Shortage: Lack of trained professionals in supply chain management.
- Environmental Impact: Increasing emissions from traditional transport modes.

F. Future Outlook

The future of Indian logistics is shaped by ongoing innovations and policy support:

- Expansion of high-speed freight corridors to reduce transit time.
- Widespread adoption of autonomous trucking and smart logistics solutions.
- Increased foreign direct investment (FDI) in logistics parks and supply chain networks.
- Integration of AI and automation for optimized inventory management.

G. Significance of Roadways in Indian Logistics Landscape

Backbone of Transportation - Roadways serve as the primary mode of transportation, connecting rural and urban areas, enabling the efficient movement of goods and materials across the country

Accessibility and Reach - India's extensive road network provides unparalleled accessibility, reaching even remote and isolated regions, ensuring the delivery of essential supplies and services.

Cost-Effective and Flexible - Roadways offer a cost-effective solution for logistics, with the ability to adapt to changing demands and deliver goods on a just-in-time basis.

Integrating Rural Economies - Robust road infrastructure integrates rural economies with the larger national supply chain, empowering local producers and connecting them to wider markets.

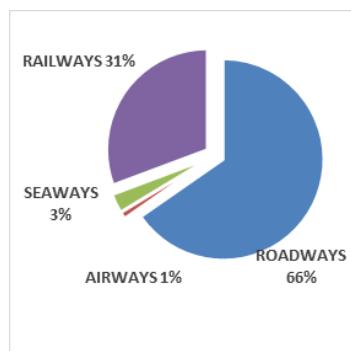
Road logistics is a critical component of the global supply chain, responsible for transporting goods efficiently across regions. In India, the industry is integral to economic growth, facilitating trade and commerce while supporting multiple sectors such as manufacturing, retail, and agriculture. With advancements in infrastructure, technology, and policy reforms, road logistics continues to evolve, improving efficiency and sustainability.

The road logistics industry comprises various stakeholders, including:

1. **Truck Operators** – The backbone of logistics, ranging from large fleet owners to individual truckers.
2. **Logistics Service Providers** – Companies offering end-to-end transportation solutions, including warehousing and freight forwarding.
3. **Infrastructure Developers** – Government agencies and private players involved in road construction and maintenance.
4. **Technology Providers** – Companies supplying telematics, fleet management solutions, and AI-driven optimization tools.
5. **Regulatory Bodies** – Government authorities overseeing policies, taxation, and compliance standards for road transport.

India's road logistics is characterized by a fragmented structure, with small and unorganized truck operators dominating the market. However, increasing formalization and consolidation are reshaping the industry dynamics.

- The Logistics Performance Index (LPI) report reveals a noteworthy advancement in India's infrastructure score, moving up five places from 52nd in 2018 to 47th in 2023
- LPI ratings for India has shown improvement, rising to the 38th position out of 139 countries in 2023 from its 54th ranking in 2014.
- Average pace of NH construction increased by 143% to 28.3 km/day from 2014
- The NH network increased by 60% from 91,287 km in 2014 to 1,46,195 km in the year 2024. 4-lane and above - National Highways (excluding HSCs): The length grew approximately 2.5 times, from about 18,300 km to 45,900 km between 2014 and 2024



Currently the logistics business is highly fragmented and has innumerable participants, including major local players, worldwide industry leaders, the express division of the government postal service, and rising start-ups that focus on e-commerce delivery. The industry includes transportation, warehousing, and value-added services like packaging, labelling, and inventory management. With the advent of technology-driven solutions such as transportation management systems (TMS) and warehouse management systems, India's logistics industry has witnessed tremendous development in recent years (WMS). These solutions have assisted logistics firms in increasing operational efficiency, lowering costs, and improving customer service. (Source: IBEF)

Overall, while the Indian logistics industry is poised for significant growth opportunities, companies will need to adapt to changing market dynamics, invest in technology and infrastructure, and focus on innovation to stay competitive in this dynamic environment

Conclusion

India's logistics industry is transitioning towards a more organized, technology-driven, and efficient sector. With government initiatives, private investments, and digital innovations, the industry is set for substantial growth. Addressing infrastructural bottlenecks and adopting sustainable practices will be crucial for long-term success.

Material Source : Ministry of Finance, Ministry of Road transport & Highways, E&Y, Niti Ayog, India Brand Equity Foundation

2. SWOT ANALYSIS

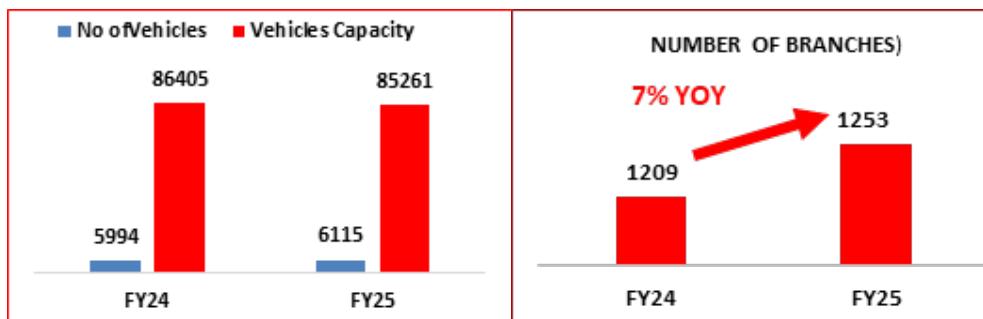
STRENGTHS

With an extensive network around the Country, VRL Logistics is able to provide personalized, localized support to our clients no matter where they are. VRL's core strength is its large size and scale of operations undertaken on a pan India basis with the largest owned vehicle. We take pride in our extensive fleet of modern, well-maintained vehicles that are optimized for efficiency and reliability. Our diverse fleet includes a wide range of trucks, trailers, and specialized equipment to handle any freight requirements. Our vehicles are regularly serviced and inspected to meet the highest industry standards. With a track record of five decades, we are one of the largest distribution networks in India. We are the only "Asset- Right" organized player in Less than Truck load logistics business in India. Our wider spread provides us greater stability during regional disturbances.

VRL is a well-established brand in the country when it comes to surface transportation and the industry leader in the parcel transportation space. As on 31st March 2025, the Company operated with the total of 6115 owned vehicles having carrying capacity of 85261 tons, and several owned premises, including branches, offices and transhipment hubs. We maintain our stand that your Company also occupies the leadership position in the country for Less than Truck Load (LTL) movement of goods and it is only the absence of validated industry data that prevents us from emphatically proclaiming this fact.



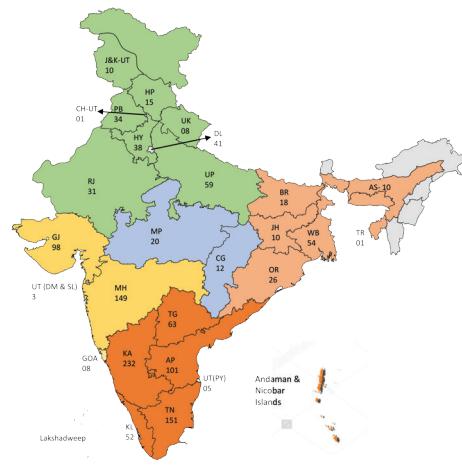
The following graph depicts the YoY increase in number of Vehicles and Capacity.



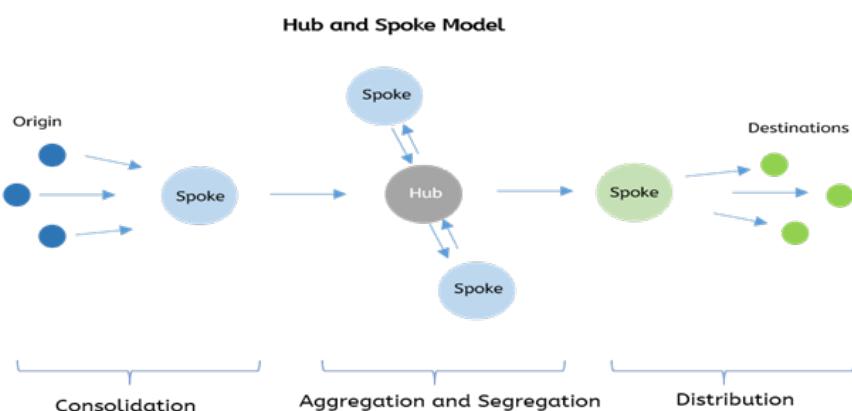
The two major advantages that your Company enjoys over its competition are its well established wide network of branches and franchisees and its owned fleet of commercial vehicles with dedicated in-house vehicle body designing and vehicle maintenance facilities to cater to the parcel transportation. Your Company is also one of the largest fleet owner of commercial vehicles in the Country and the same enables the Company to set unparalleled standards in the movement of LTL cargo in India through Hub and Spoke model in terms of service levels and safety of consignments.

The below figure depicts the Network and Reach of the Company.

The Company presently operates through 1253 branches across 24 States and 5 Union Territories in India and its reach is unmatched for the offering of LTL goods transportation services. The below figure depicts the Network and reach of the Company.



The Company operates through a hub and spoke model which helps in utilization of vehicle capacity to optimal levels. The below figure depicts the 'Hub and Spoke' consignment delivery model followed by the Company.



The hub-and-spoke model creates numerous benefits, including:

- **Continuous movement for loads** thanks to centralized handoffs.
 - **Reduced lengths-of-haul**, which improve scheduling, reduce transit time and help drivers
 - **Consistent on-time performance**, which enhances service levels and ensures products arrive in the right place at the right time.

- **Improved driver recruiting and retention.** This produces additional benefits, including higher tenure, route consistency, increased transit dependability and performance, and improved safety.
- **Reduced costs and enhanced productivity**
- **Lower carbon footprint**, because few empty miles driven reduces wasted fuel and emissions.
- **Consistent pricing** mitigates the risk of third-party carrier price fluctuations.
- **Vehicle utilization:** Optimum utilization of vehicles due to efficient load distribution

The policy at VRL is to own its vehicles for offering LTL services as also own significant infrastructure facilities comprising of warehouses and maintenance facilities. We also have a dedicated in-house IT setup which is a significant strength of your Company and the same has rendered a lot of control, cost savings and business flexibility over the years. The entire IT infrastructure of the Company is operated internally and the in-house developed ERP enables the Company to seamlessly operate on an online real time basis across all its business verticals as also integration with franchisees and select customers. Your Company also has built up capability to maintain its owned vehicle fleet internally and the cost savings arising out of economies of scale by way of tie-ups with fuel suppliers, vehicle manufacturers for supply of spare parts, tyres etc., as well as ongoing in-house R&D in this domain have enabled the Company to utilize its vehicles for a significantly longer term vis-à-vis the industry as also at significantly lesser maintenance costs.

Fuel costs continue to constitute a substantial portion of operational expenditure in the logistics sector. To mitigate price volatility and ensure consistent availability, we have established company-owned fuel stations at strategic locations. These outlets source fuel directly from refineries, enabling us to bypass intermediaries, maintain price stability, and secure uninterrupted supply—strengthening both cost efficiency and fleet reliability.

Your Company benefits from in-house research and development with a capability to implement its findings and experiment with newer products and technologies on its owned vehicles. Several of its key findings have today been accepted and implemented even by vehicle manufacturers. In combination with own vehicle body designing facility with technology to fabricate lighter and longer bodies, that reduces the overall weight of the vehicle and ensure higher payload, and also with combination of multiple types of commodities handling such as heavy and bulk consignments inside goods carriages, the goods carriages can be utilized at higher capacity as compared to the earlier periods.

Overall, the in-house maintenance facility helps the Company to better utilize its fleet than competition as the vehicles owned by the Company can be used for longer period of time vis-à-vis outside vehicles. Also ~20% of the Goods transportation vehicles are fully depreciated ensuring vehicle fleet availability with no additional depreciation costs. Also ~81% of the Goods Transportation fleet is debt free with no associated finance costs.

Your Company also has a very well diversified customer base of ~9 lakhs plus across various Industrial Sectors. During FY 2024-25, the Company's largest customer and the top 10 customers put together contributed only 1% and 3% of the revenues respectively. VRL has the lowest trade receivables in the industry. This has ensured that the Company has no dependencies on any specific customers or product categories. Similarly, there are no geographical or product related dependencies for the business which better insulates your Company vis-à-vis competition.

With emphasis on connectivity, the management has taken steps to identify and expand the branch network. Going further this would lead to opening of newer business premises and help into tapping newer sectors from which the company would greatly benefit.

WEAKNESSES, RISKS AND CONCERNs

Infrastructure and Connectivity Challenges: The Indian logistics industry faces significant infrastructure and connectivity challenges that hinder its growth and efficiency. Limited multimodal transportation infrastructure, such as inadequate road networks, outdated rail systems, and underdeveloped inland waterways, creates bottlenecks and delays in the movement of goods. Poor last-mile connectivity to remote and rural areas further exacerbates the problem, making it difficult to reach customers and access markets. Additionally, outdated and fragmented warehousing facilities with limited storage capacity and technology integration hamper the overall supply chain efficiency.

Another major issue is the lack of integrated and efficient logistics hubs that can facilitate seamless multimodal transportation and distribution. The absence of well-connected logistics parks, inland container depots, and dry ports limits the industry's ability to leverage economies of scale and optimize transportation routes. Suboptimal port infrastructure, including limited cargo handling capacity, outdated equipment, and congestion, further exacerbates the challenges faced by the logistics industry.

Addressing these infrastructure and connectivity challenges will be crucial for the Indian logistics industry to achieve

its full potential and meet the growing demands of the rapidly expanding economy. Investments in modernizing transportation networks, developing integrated logistics hubs, and upgrading port facilities will be necessary to improve the overall efficiency and competitiveness of the sector.

The transportation and logistics sector is grappling with several structural challenges such as:

- ▶ Fuel price fluctuations
- ▶ Shortage of trained drivers and labour
- ▶ Increase in toll charges due to more & more roads being covered under toll as also frequent increase in rates of existing toll rates on tolled roads
- ▶ As the industry is fragmented, there are several intermediaries in the ecosystem leading to multiple cargo exchanges, thereby increasing costs and operational inefficiencies.
- ▶ Lack of end-to-end supply chain visibility and ability to track and trace the cargo remains a challenge for the service providers and customers.

The sector is also constantly grappling with inefficiencies, however, because of which the cost of Indian logistics is 13 to 14 percent of GDP (in developed nations these costs amount to 8 to 10 percent of GDP). These inefficiencies stem from three reasons:

1. The two most unorganized sectors dominate the logistics market—road transport and warehousing. Road transport is particularly deeply fragmented—truck owners with fewer than five trucks constitute more than half of all goods vehicles on the road.
2. India's modal mix is heavily skewed towards road, with 60 to 65 percent of transport happening via road compared to 25 to 30 percent in developed countries, prompting higher costs. The use of inland waterways and coastal shipping is limited, while the containerization of cargo in rail remains minimal.
3. Indirect costs are high and include inventory carrying costs, theft and damages— often because of poor planning, forecasting and lack of proper management of stock.

Your Company, being one of the organized players in this highly fragmented and unorganized market, stands to benefit as gradually businesses realize the costs of inefficiencies the smaller and regional operators present. Such gradual shift can be particularly seen after the post-pandemic economic revival also aided by a stricter GST regulatory environment.

Organizations have realized that they need to build networks and/or channels that will allow them to adapt quickly and easily in a changing environment. Organizations will have to build systems that can optimize costs, accelerate reaction times and diversify channels. For networks to adapt quickly and function smoothly, it is also important to build agile teams willing to change and adapt rapidly to the external environment. Swift reaction to disruptions can hasten change and minimize damage. Given the same as also the very nature of LTL freight being transacted, we believe that your Company would easily adapt to any given change being witnessed across markets as owing assets and operating offices across the country provides it with the requisite flexibility and option to moderate or reorganize any changes to freight movements.

The surface transport industry suffers from an acute driver shortage issue and the said problem also affects your Company. The management opines that this is the single most important factor that affects all the transporters across the country. Your Company is however relatively better placed in this regard. VRL offers best in class salaries and emoluments including incentives to its drivers which help retention of this cadre. The Company also has enlisted its drivers on its payrolls and extends all statutory benefits such as PF, ESI, etc. to its drivers apart from significant insurance coverage as well. The Company offers a good work environment as well and also takes care of their skill development by conducting routine training programs awareness camps for its drivers. Your Company also conducts frequent health checkup and health camps for the drivers so as to make them more health conscious. Shortages however still remain and your Company is striving to further encourage more and more individuals to take up driving profession by visiting potential villages and towns and trying to remove the stigma being associated with the driving profession. The management also propagates at several forums the necessity of a joint industry effort to overcome this problem which is only expected to become more challenging in the days to come.

Lack of owned infrastructure at key centers is another present day weakness in the management's opinion. The Company has established owned transshipment hubs at key locations like Bengaluru, Mumbai, Surat, Hubballi, Mysuru, Mangaluru, Vijayapura, Ballari, and Davangere. Long term leases have also been entered into at key locations

such as Chennai, Delhi, Hyderabad, Ahmedabad, Pune, Kolkata, etc. Owned infrastructure enables the company to set up good quality maintenance facilities as also better infrastructure for goods movement and material handling. The ownership of premises at such key business locations provides the Company with a lot of flexibility in conducting business operations and the same lead to considerable cost savings and also enable the Company to scale up its service levels. Setting up owned infrastructure would however entail significant investments which in turn affect the return ratios and the management would need to balance the two so as to optimize stakeholder value as well as to cater to business growth for future. Your Company would continue to gradually expand its owned infrastructure at such key locations in the years to come.

OPPORTUNITY

The present day stabilization of the GST regime has necessitated several documentation requirements to which organized players are better suited. Be it e-waybill compliance and providing necessary information to the customers for their compliances etc.

The mandatory E-Invoicing turnover threshold for business entities is now reduced to Rs.5 crore from 01.08.2023. E-invoicing was made mandatory for business entities with Turnover of Rs.500 crores and above from October-2020. This was further limited to Rs.20 Crores and above from April-2022. Now, with all business entities with turnover of Rs.5 crores and above required to e-invoice, this would further lay emphasis on entities being more compliant. This would present additional business opportunity to your Company as smaller businesses would now scout for better logistics services from a compliance perspective.

The vehicle scrappage policy is a government-initiated program to replace old vehicles from Indian roads. According to the new policy, commercial goods vehicles greater than 15 years will have to be mandatorily scrapped if they do not pass the fitness and emission tests.

The imminent implementation of scrappage policy is being tentatively viewed by the road transport industry as there would be a very significant reduction in the number of vehicles plying on the roads. This however would be a blessing in disguise for your Company. The eventual situation of higher demand for vehicles would work favorably and coupled with the inevitable freight rate hike caused by such policy implementation would lead to a higher margins for the Company. Also, given the internal expertise the company has on the vehicle maintenance front all useful spare parts from the vehicles getting scrapped would be available for usage apart from the one-time salvage income expected. It is pertinent to take note that any such scrappage would also not entail any hit to the Company's profitability as such older vehicles are fully depreciated.

Your Company has 842 vehicles which are more than 15 years old as of March 31, 2025 with a total capacity of 8331 tons i.e. 9.8% of total capacity & 13.8% of total vehicle count. The management has however ensured that orders for higher capacity replacement vehicles are already put in place.

THREAT

Fluctuations in fuel prices resulting from diesel de-regulation, lorry hire charges payable to third party vehicles and input costs especially those related to tolls as also others like rent, salary etc. have a significant bearing on the Company's profitability margins. These represent a significant portion of the operating costs and any inability to pass on the same in entirety affects profit margins adversely. In particular, the cost of fuel has increased in the recent years regularly and fluctuates significantly due to various factors which are beyond our control. Historically, due to low customer dependencies, the Company has been in a position to pass on predominantly or at times even completely such increases to customers through periodic increase in freight rates. However, the ever present volatility represents a considerable threat to our result of operations.

During the year the GST changes requisitioned the levy of GST on a reverse charge basis even on rented premises where the Lessors did not charge GST. This has brought all our branch offices under the purview of GST. We do not claim GST input due to our opting for the abatement option thereby our rental costs have significantly risen during the year and would continue to adversely impact us going ahead.

The Company's operations could also be affected owing to development of newer policies by the different State Governments of the country. To quote an example, several states / cities have prohibited the entry of commercial diesel operated vehicles that are beyond a certain age. This necessitates the shifting of older vehicles and deploying these over other permitted routes which entails a cost. Also, one can never be certain as to when similar decisions would be implemented across other States and major cities which could affect us adversely.

The Company's business operations are totally dependent on the road network in India. There are various factors that affect the road network such as political unrest, bad weather conditions, natural calamities, regional disturbances

or even third party negligence that can affect the condition of vehicles and cargo / passengers. Even though the Company undertakes various measures to avoid or mitigate such factors to the extent possible, some of these have the potential of causing extensive impact on operations and assets.

3. SEGMENT-WISE PERFORMANCE

Prior to the FY2022-23, the company operated in four segments namely:

1. Goods Transport
2. Bus Operations
3. Wind power
4. Transportation of Passengers by Air

From FY 2022-23, the company made a strategic decision to focus only on the High growth oriented Goods Transport Business. For FY2024-25, the revenue from operations increased by 9.43% from ₹ 2,88,862.03 lakhs to ₹ 3,16,094.8 lakhs. Including other income the total revenue increased by 9.51% from ₹ 2,90,971.85 lakhs to ₹ 3,18,640.65 lakhs

4. OUTLOOK

The gross GST revenue collected from April 2024 to March 2025 i.e. in the FY 2024-25 was ₹ 22,08,861 crore. After adjusting for refunds, the net GST revenue for March 2025 stood at ₹ 1,76,526 crore, registering a 7.3 percent year-on-year increase from ₹ 1,64,592 crore. (Source: Ministry of Finance)

Further, mandatory e-invoicing being limited to Rs. 5 Crores and above from 01.08.2023 would further lay emphasis on even smaller entities on being more compliant. In the aftermath of the pandemic, financially strong and organized players stand to benefit at the expense of smaller and marginal players who dominate the industry. This was seen last year as well.

The inherent strength in our business model ensures that the Company is not dependent on any particular customer or industry for its revenues. In these difficult times, the available drivers and vehicles are being selectively deployed for Full Truck Loads and Parcels depending on return load and ground level position as the situation warrants. We are transacting freight business coming our way and our entire team approaches existing customers as also potential customers for getting business. We are doing an internal review and are conducting focused state-region level meeting to increase the freight density in the local pockets for growth and we are encouraged by the response to such initiative. During the year 97 new Branches were added. The said increase in the branches contributed to increase of overall tonnage and the same is only expected to significantly increase in the days to come.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and the nature of its operations. The Internal Control function emanates at the Board level and its scope and authority of the Internal Audit function is well defined. To maintain objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the executive Chairman and the Managing Director. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies across the Company. Based on the report of internal audit function, process owners undertake remedial action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

As regards the operation of internal controls, majority of these have been inbuilt in the internal procedures established by the organization which are also documented internally. These include in details the methodology to be adopted right from transacting bookings, effecting consignment deliveries, etc. and also describes the practices to be followed for the smooth operation of business. Inspection teams are formed at the head office level as well as at the transshipment level and cover the entire branch network of the Company periodically for exhaustive inspection for adherence to the set procedure. Deviation from the laid down procedure is escalated to the Functional heads as also directly to the Executive Directors.

The Company had laid down guidelines, policies, procedures and structure to enable implementation of appropriate internal financial controls across the company. These control processes enable and ensure the orderly and efficient conduct of company's business, including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation & disclosure of financial statements. There are control processes both on manual and IT applications including ERP applications, wherein the transactions

are approved and recorded. Review and control mechanisms are built in to ensure that such control systems are adequate and operate effectively.

Other control processes are IT driven and the in-house information technology capabilities ensure that due flexibility is available in the system to further strengthen controls as the case may be. Your management appreciates the need to remain efficient in its working and recognizes their responsibility in establishing controls as also effectively implementing them and monitoring their effectiveness on a periodic basis.

6. DISCUSSION ON FINANCIAL PERFORMANCE w.r.t. OPERATIONAL PERFORMANCE

(₹ in lakhs)

Particulars	Year Ended 31 st March, 2025	Year Ended 31 st March, 2024
Revenue from operations	3,16,094.80	2,88,862.03
Other income	2,545.85	2,109.82
Total Income	3,18,640.65	2,90,971.85
Profit Before Finance Costs and Depreciation	59,841.77	41,454.01
Finance Costs	9,483.75	7,786.48
Depreciation and Amortisation of expenses	25,362.46	21,616.30
Profit Before Tax	24,995.56	12,051.23
Tax Expense	6702.27	3,193.80
Profit for the Year(excluding other comprehensive income)	18,293.29	8,906.10

Note: All financial numbers for Continued Operations – Goods Transportation

Revenue from operations increased by 9.43% from ₹ 2,88,862.03 lakhs in FY24 to ₹ 3,16,094.80 lakhs in FY25. Including other income the total revenue increased by 9.51% from ₹ 2,90,971.85 lakhs in FY24 to ₹ 3,18,640.65 lakhs in FY25.

Total Revenue (₹ in lakhs)



"The improvement in turnover is primarily attributed to an increase in freight rates, with realization per ton rising by 9.48% while volumes remained stable. Alongside the freight hikes implemented in previous quarters, In Q4FY25 we conducted a comprehensive review of business transactions and contracts, evaluating their margin contributions and potential impact on overall tonnage. Through this analysis, we identified and phased out certain low-margin operations, ensuring this optimization did not compromise tonnage growth. As a result, we achieved our highest-ever EBITDA and EBITDA margins in the current year."

Further the margin improvement is also due to good control on Fuel Expenses, which is a major cost of operation in our business. We further increased the Bulk purchase quantity (as a percent of total quantity) from 28.84% in FY24 to 37.54% in FY25. The fuel procurement cost per litre is reduced from ₹ 87.99 to ₹ 85.03. On overall basis the fuel cost as a % to the revenue reduced from 30.14% to 27.32%.

The improvement in the operational efficiencies in the current quarter also led to improvement in EBITDA margins: We saw major efficiency in effective utilisation of our own vehicles. This enabled us to have control on the dependency on hired vehicles. Due to the same, Lorry hire charges reduced as a percent to revenue from 7.71% in FY24 to 5.54% in FY25.

Operational Efficiency Enhancements



Bulk Fuel Procurement

Increased direct fuel purchases from refineries secured more favorable pricing and improved supply chain control



Smart Route Mapping

Key transport routes were redefined to reduce unnecessary loading and unloading cycles



Fleet Utilization Optimization

Initiative	Outcome
Bulk Fuel Purchase	Reduced fuel cost per liter ↓
Route Optimization	Fewer transit stops, faster turnaround
Own Fleet Utilization ↑	Hired vehicle usage ↓ improved delivery efficiency
Branch Rationalization	Leaner footprint, sustained service coverage

These logistical improvements enabled better deployment of in-house vehicles and substantially reduced reliance on hired fleets

The rest of the expenses were more or less in line with the past trend but depicted a decrease when expressed as a percentage of revenue owing to higher freight realisation.

In absolute terms the EBITDA of the company increased by 44.36% from ₹ 41454.01 lakhs to ₹ 59841.77 lakhs. When expressed as a percentage to the total income for the year, the EBITDA margin increased by 4.53% from 14.25% in FY24 to 18.78% in FY25.

Depreciation increased by 17.33% from ₹ 21616.3 lakhs to ₹ 25362.46 lakhs

In absolute terms the EBIT of the company increased by 73.81% from ₹ 19837.71 lakhs to ₹ 34479.31 lakhs. When expressed as a percentage to the total income for the year, the EBIT margin increased by 4% from 6.82% in FY24 to 10.82% in FY25

Interest Expense increased by 21.8% from ₹ 7786.48 lakhs to ₹ 9483.75 lakhs

In absolute terms the PBT of the company increased by 107.41% from ₹ 12051.23 lakhs to ₹ 24995.56 lakhs. When expressed as a percentage to the total income for the year, the PBT margin increased by 3.7% from 4.14% in FY24 to 7.84% in FY25

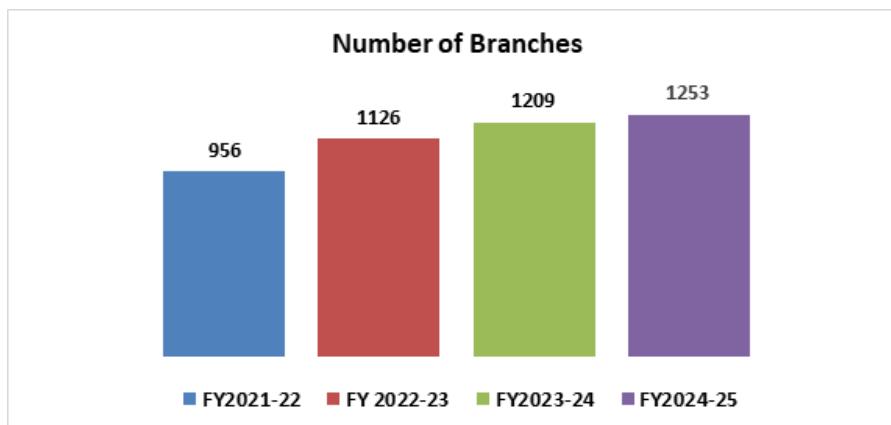
In absolute terms the PAT of the company increased by 105.4% from ₹ 8906.1 lakhs to ₹ 18293.29 lakhs. When expressed as a percentage to the total income for the year, the PAT margin increased by 2.68% from 3.06% in FY24 to 5.74% in FY25

The details of operating expenses as a percent to revenue is presented in the table below

YOY	FY25	FY24	Difference (%)	Reasons
	(% to Revenue)			
EBITDA	18.78%	14.25%	4.53%	Increase in Freight Rates and Discontinuation of low margin business leads to improvement in realisation and margins
Fuel cost	27.32%	30.14%	(2.82%)	Fuel consumption qty increased by 2.6%. Average purchase cost per litre of fuel reduced from ₹ 87.99 to ₹ 85.03. Bulk purchase from refineries as a percent of total quantity increases from 28.84% to 37.54%
Lorry Hire	5.54%	7.71%	(2.17%)	Decrease in long haul hired vehicle Kms due to improvement in kms by own vehicles
Vehicle Running, Repairs & Maintenance	4.89%	4.45%	0.44%	Increase in Kms covered by owned vehicles. Increase in driver incentives

Stores and Spares consumed	2.27%	2.38%	(0.11%)	Addition of new vehicles. Percentage maintained.
Tyres, Flaps and Re-treading	2.39%	2.30%	0.09%	Addition of new vehicles. Percentage maintained.
Bridge & Toll expenses	7.75%	7.94%	(0.19%)	Increase in number of Toll Plazas from 1383 to 1727 across India, increase in Toll Rates and Increase in Kms by Owned vehicles. the percentage to revenue is decreased due to freight hikes
Rent	2.37%	2.04%	0.33%	Addition of new branches. Expansion in existing branches/TPT area and renewal of Lease Agreements. Part of rental expenses are accounted as Depreciation and Interest expenses under Ind As 116
Hamali (Loading & Unloading charges)	6.60%	6.73%	(0.13%)	Increase in Loading and Unloading charges. However Percentage is maintained due to freight hikes
Employee Cost	17.11%	16.67%	0.44%	Increase in number of employees due to addition of new branches & Internal promotions on selective basis
Other Expenses	4.97%	5.40%	(0.43%)	Percentage to revenue is decreased due to freight hikes
Depreciation	7.96%	7.43%	0.53%	Increase in Capex and Increase in ROU on account of addition/expansion of new leased branches/TPT's area
EBIT	10.82%	6.82%	4.00%	Due to increase in EBITDA
Finance Costs	2.98%	2.68%	0.30%	Increase in debt and Increase in lease liability on account of addition/expansion of new leased branches/TPT's area.
PBT	7.84%	4.14%	3.70%	Due to increase in EBIT
PAT	5.74%	3.06%	2.68%	Due to increase in PBT

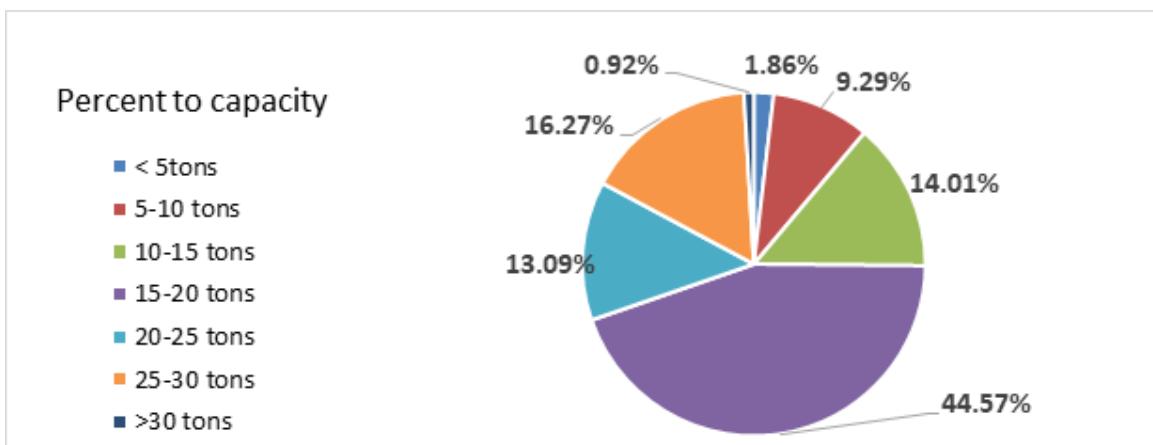
On a year-over-year basis, we expanded our network by adding 84 new branches, which collectively contributed approximately 1% to the overall tonnage. Concurrently, we rationalized our footprint by closing 40 branches, after careful evaluation indicated that their business potential could be effectively serviced through adjacent branches. This strategic optimization reflects our continued focus on operational efficiency and resource consolidation." . Apart from this there was an expansion of existing Branch Area/TPT area in key markets. Going further, we plan to open more number of branches in the untapped markets. Our strategy of expansion of branch network is going to continue and we plan to add around 25 - 30 branches every quarter, especially in untapped markets. The below GRAPH depicts the increase in number of branches from FY 2021-22 to FY 2024-25.



Apart from this, the management of the company has undertaken many steps to control the key operational costs such as increase in quantity of bulk purchase of fuel directly from the refineries, Key route mapping to minimise the number of loading and un-loadings which resulted into optimise utilisation of our own vehicles and drastic reduction on dependency of the hired vehicles.

Our customer base increased to ~9 lakhs. We believe that the continuous shift of customer base to VRL from unorganized sector will be maintained as compliance requirements becomes stricter under GST.

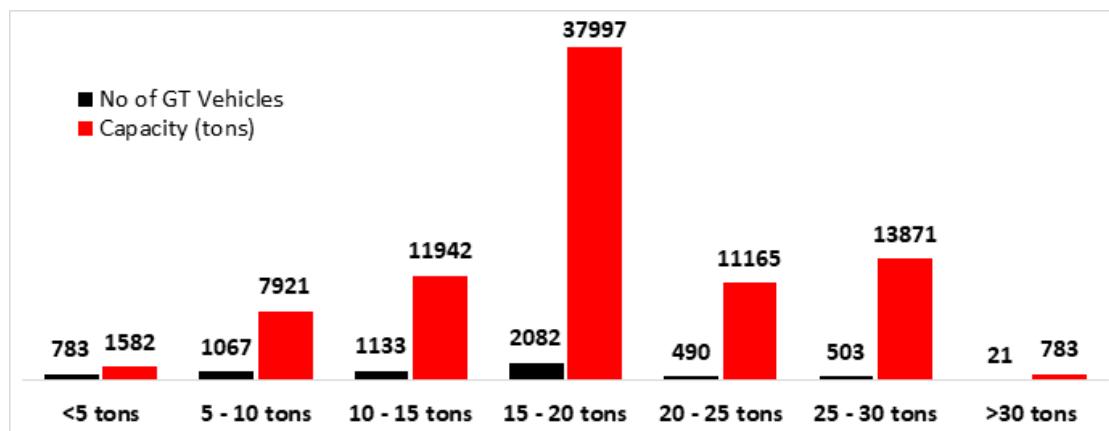
On the fleet side, we added 457 vehicles of different capacities in line with our expansion plans to garner more market share and also reduce dependency on third party vehicles. Net addition post scrappage was 121 Vehicles. Number of vehicles increased from 5944 vehicles in FY 24 to 6115 vehicles in FY25. The below chart illustrates the capacity wise breakup of our vehicles as on 31.03.2025



Total vehicles carrying Capacity is 85261 tons in FY25 as compared to 86405 tons in FY24

Apart from this we are also currently operating with 216 Trailers with a total capacity of 5433 tons.

Capacity Breakup as on Mar 31, 2025



- excluding Cranes(14) and Tankers(23)

Capex: The strong cashflow mainly through the internal accruals of the company led to robust expansion plans of the company. The current year strong cash flows enabled us to make major capex of ₹ 44366 lakhs including investments in purchase of properties at Bengaluru, Mysuru and Mangaluru along with the routine Capex on the Vehicles. The Investments in Bengaluru Transhipment is having its own business advantages with better financial metrics .

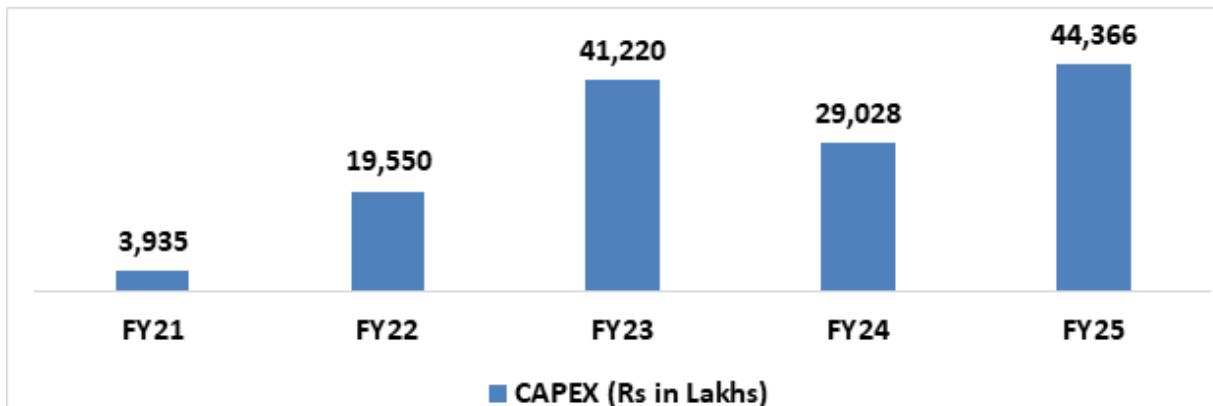
The table below highlights the foresight and strategic rationale behind our investment in the Bengaluru property—an initiative driven by long-term growth ambitions, logistical advantage, and value creation potential. This forward-looking decision aligns with our vision to enhance operational resilience and future scalability.

Property Details	
Total Land Area (sq mtr)	112401.36
Total Building Area (sq mtr)	48221.78
Land Value (₹ in lakhs)	17819.53
Building Value (₹ in lakhs)	5292.25
Total Investment (₹ in lakhs)	23111.78
Funded through Debt (₹ in lakhs)	18500.00
Funded Through Internal Accruals (₹ in lakhs)	4611.78

Financial Benefits		(₹ in lakhs)
Reduction in Annual Rent expenses (incl GST)		1571.43
Third party Rental Income		148.65
Realisation of Rent Deposit		900.00
Due recovery of our investments made over the years in useful amenities such as internal Road work, Fuel station, Weigh bridge, Solar installation, STP etc		330.58
Reduction in ROU (IND AS-116)		2744.46
Reduction in Lease Liability (IND AS-116)		2902.64
Land value which is Non depreciable		17819.53
Low Cost Debt @ 8.6% p.a		

BUSINESS ADVANTAGE	
A readymade setup for our Satellite workshop which can now be scaled up and fitted with requisite advanced vehicle maintenance infrastructure	
Increase in storage facility by creating Vertical storage stacks	
Usage of Mechanisation to reduce dependency on Loading/Unloading Workforce.	
The said hub is located right along the Mumbai – Bengaluru (NH-4 / AH 47) and offers unmatched connectivity to the southern states. It is ideal from a surface logistics point of view connecting the Southern states to Western and Northern India	
The size and location of the property make it ideal for future expansion plans to support the Company's growth objectives	
The said hub is critical to the Company's South India operations. On an average around 3000 tons gets handled at this transshipment hub daily	

The below chart depicts the capex over the last five years.



Analytical Ratios:

Particulars	As at March 31, 2025	As at March 31, 2024	Change %	Reason for more than 25% change
Return on Equity	18.02%	9.25%	94.86%	Due to improvement in profits for the year
Net capital turnover ratio	(22.73)	(16.26)	39.79%	Due to improvement in Trade Receivables, Cash and Cash equivalents and Other Current Assets more than proportionate increase in Turnover
Net Profit Ratio	5.79%	3.08%	87.71%	Due to improvement in profit for the year.
Return on Capital employed	14.42%	9.70%	48.72%	Due to improvement in profit for the year.
Current Ratio	0.64	0.54	19.34%	
Debt - equity Ratio	1.13	1.10	3.24%	
Debt Service Coverage Ratio	0.40	0.34	17.65%	
Trade Receivables turnover ratio	30.22	29.35	2.97%	
Trade payables turnover ratio	35.34	28.71	23.09%	
Return on Investment	7.32%	8.01%	(8.70%)	

7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT – EMPLOYEE DATA

The total employee strength of the Company as of 31.03.2025 was 22236. Given the nature of operations, a significant portion of the said employee strength comprises of drivers, cleaners, garage mechanics and other unskilled employees. Despite the large number of employees as also considering the widespread geographical operation of the Company, your management feels proud to state that the employer – employee relations remained extremely cordial throughout the year. There were no instances of strikes, lockouts or any other action on part of the employees that affected the functioning of the Company. It is noteworthy that there is no Employee Union / Trade Union / Union within the organization.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L60210KA1983PLC005247
2	Name of the Listed Entity	VRL Logistics Limited
3	Year of incorporation	31.03.1983
4	Registered Office Address	RS. NO. 351/1, Varur, Post Chabbi, Taluk Hubballi, District Dharwad, Hubballi – 581 207
5	Corporate Office Address	Giriraj Annexe, Circuit House Road Hubballi - 580029, Karnataka
6	E-mail	investors@vrllogistics.com
7	Telephone	0836-2237511(Corporate office) 0836-2237613 (Registered office)
8	Website	www.vrlgroup.in
9	Financial year for which reporting is being done	2024 - 2025
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Limited
11	Paid-up Capital	₹ 8746.85 lakhs
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Aniruddha Phadnavis Company Secretary and Compliance Officer Email: aniruddha@vrllogistics.com Telephone No: 0836 2237511
13	Reporting boundary - Are the disclosures under this report made on a standalone basis(i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made in this report are on a standalone basis.
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Products/services

II-16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of the Main Activity	Description of the Business Activity	% Turnover of the Entity
1	Surface Logistics Services	General Parcel forms the core of VRL's business and involves pan India movement of consignments of varying size and weight on a Less than Truck Load (LTL) Basis. The Company also provides the option of door collection and door delivery to the customers at a cost. The Company offers three modes of booking, viz. "Paid", "To-pay" and "Account" (Billing). We provide Full Truckload Services (FTL) service to our customers by leveraging our broad base of select branches as well as through our network of independent brokerage agents, wherein we provide door-to door service in which the goods are loaded on to our vehicle at the premises of the customer and then delivered to the specified destination. We also offer Courier services for time sensitive documents and packages.	100%

II-17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Goods Transportation	49231	100%

III. Operations
III-18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	1253*	1253
International	0	0	0

* Out of the above, Company branches are 1054, 50 transhipment hubs and 149 Agency offices.

III-19. Markets served by the entity: a. Number of locations
a. Number of locations

Locations	Number
National (No. of States)	29
International (No. of Countries)	0

Note: National: The Company operates 24 states and 5 Union Territories across the country

International: Company does not operate outside India

b. What is the contribution of exports as a percentage of the total turnover of the entity?

0% as VRL Logistics' entire business operations are based in India.

c. A brief on types of customers

We serve all the major corporate houses, C&Fs, Wholesalers, Retailers as also individual retail customers across India. Based on the GSTINs available in our system, we have more than 9 lakh+ customers across the country.

IV. Employees
IV-20. Details as at the end of Financial Year a. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1	Permanent (D)	22236	21947	98.70%	289	1.30%
2	Other than Permanent (E)	0	0	0.0%	0	0.0%
3	Total employees (D + E)	22236	21947	98.70%	289	1.30%
Workers						
1	Permanent (F)	0	0	0.0%	0	0.0%
2	Other than Permanent (G)	0	0	0.0%	0	0.0%
3	Total Workers (F + G)	0	0	0.0%	0	0.0%

IV-20. Details as at the end of Financial Year: b. Differently abled Employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Workers						
1	Permanent (D)	3	2	66.67%	1	33.33%
2	Other than Permanent (E)	0	0	0.0%	0	0.0%
3	Total differently abled employees (D + E)	3	2	66.67%	1	33.33%
Differently Abled Workers						
1	Permanent (F)	0	0	0.0%	0	0.0%
2	Other than Permanent (G)	0	0	0.0%	0	0.0%
3	Total Workers (F + G)	0	0	0.0%	0	0.0%

IV-21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	1	8.33%
Key Management Personnel	3	0	0.00%

IV-22. Turnover rate for permanent employees and workers. (Disclose trends for the past 3 years)

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	41.12%	15.41%	40.80%	33.54%	9.61%	34.30%	31.91%	8.81%	30.72%
Permanent Workers	We do not have any workers - All individuals are considered as Permanent Employees and no such category exist.								

V. Holding, Subsidiary and Associate Companies (including joint ventures)
V-23. (a) Names of holding / subsidiary / associate companies / joint ventures.

S. No.	Name of the holding /subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
NOT APPLICABLE				

VI. CSR Details
VI-24. . (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
VI-24. (ii) Turnover (in ₹) - ₹ 3,18,640.65 Lakhs

VI-24. (iii) Net worth (in ₹) - ₹ 1,08,455.56 Lakhs

VII. Transparency and Disclosures Compliances

VII-25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	0	0	0	0	0	0
Investors (other than shareholders)	No	0	0	0	0	0	0
Shareholders	Yes	2	0	NIL	13	0	0
Employees and workers	Yes, employees can report their grievances through the whistleblower policy. If needed, they can also directly reach out to the lead HR and team. Link- https://vrlgroup.in/vigil_policy.aspx	0	0	NIL	25	0	NIL
Customers	Yes, on our website, we have a dedicated page that provides contact information for all our branches. Customers can reach us through the toll-free numbers listed or by emailing us at the provided email address. Link- https://www.vrlgroup.in/contact_us.aspx/vrl_branch_list.aspx	90383	767	NIL	32520	842	NIL
Value Chain partners	No	0	0	NIL	0	0	NIL
Other (please specify)	No	0	0	NIL	0	0	NIL

Note: With a view to improvise on our service quality, we have reviewed the benchmarks established hitherto to classify a communication as complaint. Thereby, even feedback in relation to freight rate hike effected during the year are classified as complaint and hence the increase in number.

VII-26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy efficiency	O	VRL operates India's largest vehicle fleets, where fuel consumption is a critical metric impacting both energy efficiency and operational costs. To enhance our operational efficiency, we are continuously investing in acquiring advanced, energy-efficient vehicle fleets. Additionally, we have installed renewable energy sources to power our major facilities and hubs.		Positive
2	GHG emissions	R	For a logistics company like ours, greenhouse gas (GHG) emissions from both vehicle operations and facility energy consumption are critical factors with significant potential to impact our business. Anticipating upcoming policies related to tracking and reporting GHG emissions, we recognize the importance of aligning our operations accordingly. We have already begun strategizing to ensure compliance and enhance our environmental sustainability efforts.	To manage our GHG emissions, we are actively transitioning our fleet to operate sustainably and in an environmentally friendly manner, with a significant portion of our capital expenditure dedicated to this initiative. Many of our major facilities already utilize solar energy, and we are expanding their coverage. Additionally, we have implemented energy-efficient techniques across our facilities. These initiatives are part of our ongoing efforts to reduce CO2 emissions and enhance sustainability.	Negative

3	Water Management	R	<p>Water is an important environmental resource, and equally significant in our operations where it is primarily used for cleaning vehicles. Given that VRL operates the largest self-owned vehicle fleet, the volume of water required for vehicle sanitation is substantial, making water management a critical focus area.</p>	<p>To manage resources efficiently, we recycle most of our waste. Water waste generated from vehicle cleaning is reused for gardening purposes instead of being directly released into sewage systems, thus significantly reducing water disposal. Additionally, at our central facility in Varur, we have installed a bacteria-based water treatment system. The purified water from this system is reused in our washing processes, and the sludge produced is distributed to local farmers as fertilizer, also supporting agricultural needs sustainably.</p>	Negative
4	Air Pollution	R	<p>We do have an air emission footprint due to the nature of our industry. We recognize that the emissions from our vehicles can have several negative impact on the regions we operate in. Hence, we consider this issue to be material.</p>	<p>Our vehicles undergo regular maintenance and comply with all environmental laws, ensuring that emissions are kept well within the provided limits. Also, we are actively transitioning from traditional vehicles to more environmentally friendly options, such as BS-VI vehicles, and we are also working on increasing the number of electric and CNG vehicles in our fleet to further reduce our air emissions.</p>	Negative

5	Occupational Health and Safety	R	<p>Due to the nature of our business, it is crucial for us to adhere strictly to all applicable health and safety regulations. At any given time, more than 50% of our total workforce is on the road delivering products. Any lapses in compliance, whether by management or employees, could severely impact our company's reputation, and finances, and even lead to serious injuries or fatalities. Therefore, ensuring health and safety standards is of utmost importance to us.</p>	<p>We prioritize adherence to all applicable laws and regulations. We conduct regular training and awareness sessions for our employees on road safety and maintain our vehicle fleet in optimal condition at all times.</p>	Negative
6	Human Resource	R	<p>VRL, as a service-based company, relies heavily on its drivers and management as the backbone of our industry. Therefore, the recruitment and retention of skilled personnel are vital not only for ensuring operational efficiency but also for maintaining high service standards and ensuring customer satisfaction.</p>	<p>To build a strong workforce, we recruit all drivers as full-time employees and provide them with all statutory benefits. Regular training sessions are provided to ensure continuous development. Additionally, we have a driver training facility in Hubballi where drivers can voluntarily attend training programs.</p> <p>We impart necessary training to employees of all levels to improve their skills. We have covered our drivers and maintenance workforce under group insurance for ensuring stability to their families.</p>	Negative

7	Cyber Security	R	Due to the nature of our business, our company heavily relies on digitally generated data, making the protection of this data the most important. Safeguarding this information is crucial not only for maintaining customer trust but also for mitigating potential risks associated with data breaches. Also, non-compliance with related & applicable regulations could cause severe damage to the company's both financial, health and reputation.	We have implemented an Information Security policy overseen by our IT department to protect the information of both customers and employees in our database.	Negative
8	Customer satisfaction	O	VRL is committed to continuous improvement and delivering the highest quality services to ensure customer satisfaction.		Positive
9	Material Sourcing	R	Our supply chain faces various risks related to the critical materials used in our processes. These materials are often specialized and have limited alternatives. Issues such as high demand, low stock, transportation challenges, or supply disruptions can lead to price increases and sometimes unavailability of the product, even at higher prices.	To mitigate such issues, VRL has diversified its supply chain over the years, making it more resilient to value chain disruptions. We ensure to maintain alternatives for required products and services, allowing our operations to continue smoothly despite any challenges.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes

c. Web Link of the Policies, if available	https://vrlgroup.in/vrl_investors_desk.aspx?display=policies - The said link provide access to the various policies that the Board has adopted. Apart from the above, there are several policies adopted and implemented within the entity such as HR Policy, procedural Manual for covering each and every aspect of our Business Operations etc. which are not in the public domain and cannot be made accessible. Majority of the nine principles enshrined in the ESG framework do directly/indirectly get covered under such policies. There are certain principles for which a specific policy is not put in place. Also refer note below.									
2. Whether the entity has translated the policy into procedures. (Yes / No)	The said link provide access to the various policies that the Board has adopted. Apart from the above, there are several policies adopted and implemented within the entity such as HR Policy, procedural Manual for covering each and every aspect of our Business Operations etc. which are not in the public domain and cannot be made accessible. Majority of the nine principles enshrined in the ESG framework do directly/indirectly get covered under such policies. There are certain principles for which a specific policy is not put in place. Also refer note below.									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No				No
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusteas) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	NA	NA	NA	NA	NA	NA				NA
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	NO	NO	NO	NO	NO	VRL is committed to enhance energy efficiency and emissions reduction and is undertaking several strategic initiatives for the same	NO	NO	To continue to follow industry best practices to maintain highest quality service and ensure customer satisfaction.	

<p>6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.</p>	NO	NO	NO	NO	NO	<p>-We are currently in the process of modernizing our fleet by integrating the latest environmentally friendly BS-VI vehicles.</p> <p>-Increasing the number of electric vehicles in our fleet.</p> <p>-Incorporated an advanced fuel management system.</p> <p>-Installing rooftop solar panels across multiple facilities to reduce dependency on non-renewable energy.</p> <p>-Transitioning from diesel forklifts to battery forklifts, and upgrading to modern lithium-ion batteries, which are 50% more efficient, etc, are few of our initiatives.</p> <p>VRL is also committed to reducing water consumption:</p> <ul style="list-style-type: none"> -Have employed rainwater harvesting techniques. - Installed water treatment plants at the central facility in Varur to filter and reuse water in operations. -Our facilities reuse wastewater in gardening instead of discharging it into the sewage thus also effectively minimising water disposal. 	NO	NO	NO
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Governance, leadership and oversight

<p>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</p>	<p>Statement by Dr. Anand Sankeshwar, Managing Director</p> <ul style="list-style-type: none"> - We are serious about our ESG responsibilities. Our industry, the surface logistics industry, faces its own unique set of challenges and these challenges present opportunities for us to demonstrate our way of doing things. We undertake several measures on this front and such measures, enumerated below, have been implemented since the past several years, much before the reporting on ESG became mandatory – - We were the pioneers in the usage of bio-fuel in this industry. A past reading of our financial disclosures and presentations available on our website would detail our usage of bio-fuel which in the past was beyond 20% of our overall fuel consumption. But despite the present day unavailability of such a resource, we stand committed to make use of green fuel. - We add additives to our fuel to improve the fuel efficiency of our vehicles as also to reduce the emissions. - We give preference to local vendors which are predominantly small and ancillary units located in the vicinity of our centralized vehicle maintenance facility for the sourcing of non-OEM components and spare requirements. - We ensure that we consistently meet our CSR obligations - We have aggressively pushed for the implementation of solar panels on as many godowns occupied by us as possible. - We have shifted over from diesel forklifts to battery operated forklifts. - We are also replacing our batteries at offices for UPS purposes with Lithium Ion batteries which are more eco-friendly. - We ensure strict adherence to all our Pollution related obligations. We have roped in an external agency to monitor our Pollution related compliances and undertake periodic inspections too. - We provide all out staff including drivers and hamals with all statutory benefits as also group insurance, health insurance, death benefits etc. apart from periodic awareness and other beneficial training sessions. - Our premises are kept neat and clean and we ensure due dedicated spaces for greenery and plants at premises and facilities owned by us. We would strive to improve further on these lines in the years to come.
<p>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p>	<p>The Board of Directors</p>
<p>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</p>	<p>No, the Board is responsible for decision making on all sustainability related issues. There is no separate Committee involved however the Audit Committee does undertake periodic review on this front.</p>

Note: Our Management is of the opinion that the mere absence of a documented policy alone is no reason to assume that our business is not conscious as to its environmental and other relevant stakeholder obligations. In the past, we had entered into a long-term contract with the Asian Development Bank (ADB) which purchased all our carbon credits (CERs) in entirety. The Company's Clean Development Mechanism (CDM) project was registered with the United Nations Framework Convention on Climate Change (UNFCCC) and necessary approvals for the trade of carbon credits have been procured. As on date, the Company has a significant tradable balance of Certified Emission Reductions (CERs).

We are pioneers in the Surface Transport industry to utilize bio-diesel as an alternative and Green Fuel and during the past few years gone by, bio-diesel was extensively used instead of diesel in our fleet. The present-day availability of bio-diesel is scarce and upon this situation getting changed, the company would resume to use this.

We wish to submit that we are in full compliance with all the environmental laws applicable to us. In fact, our waste treatment and disposal as also our rain water harvesting efforts at Hubballi have resulted in our increasing the water table at the location where our centralized vehicle maintenance facility is located.

We are one of the few organized transporters who have also consciously ensured that our bigger transshipment yards are

provided with battery operated forklifts instead of diesel-based ones. This ensures better well-being of our workforce situated there as also reduces pollution.

We have also commenced the commercial application of electric vehicles for effecting local deliveries and pick-ups and keep adding smaller electric vehicles to our operation. Gradually, upon the technology for higher capacity vehicles stabilizing, we would be deploying more and more of such vehicles in the days to come. We are also engaged in talks to explore the possibilities of deploying electric vehicles with higher capacity over longer distances so as to evaluate the viability of these from a sustainability perspective.

As regards Liaison, we are a part of nearly all the important industry bodies and play a pro-active role in highlighting matters for betterment of our surface transport industry.

10. Details of Review of NGRBCs by the Company: Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, Committee of the Board									Periodically								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Audit Committee reviews ongoing development periodically.									Periodically								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Sr. no	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	NO								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)								No	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)								No	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)								No	
It is planned to be done in the next financial year (Yes/No)								No	
Any other reason (please specify)								refer note #	

Our Management is of the opinion that the mere absence of a documented policy alone is no reason to assume that our business is not conscious as to its environmental and other relevant stakeholder obligations. The majority of the nine principles enshrined in the ESG framework do directly/indirectly get covered under such policies. There are certain principles for which a specific policy is not put in place

Refer note above, covered under 'Section B- Management and Process Disclosures'

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in

a manner that is Ethical, Transparent and Accountable.

Essential Indicators

E1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of Training and awareness programmes Held	Topics / Principles Covered Under the Training and its impact	% age of persons in respective category Covered by the awareness programmes
Board of directors (BoD)	5	<ul style="list-style-type: none"> • International Financial Reporting System • Board Evaluation • Updates on Ind-AS • GST • Income Tax <p>Impact: These trainings ensure enhanced governance and accountability, compliance and improve financial accuracy and operational efficiency, contributing to the company's performance, sustainability, and long-term growth. Moreover, attendance at additional sessions organized by institutions like the Indian Institute of Corporate Affairs (IICA), IIM Bangalore, ICAI, ICSI, logistics industry bodies, CII, and Chambers of Commerce has provided our Board of Directors with a competitive edge.</p>	100%
Key Managerial personnel (KMP's)	4	<ul style="list-style-type: none"> • Recent Amendments in GST • CSR and its applicable rules • Direct and Indirect Tax-Taxation • Key Developments in Companies Act and possibilities of application of AI Tools in our operations 	100%
Employees other than BoD and KMPs	6304	<p>Key changes in movement of consignment routes</p> <p>Driver training, On-the-job training at branches</p> <p>Impact: The trainings has enabled the company to enhance the efficiency of consignment by updating route plans. Additionally, they have played a crucial role in ensuring employee safety and skill enhancement</p>	97.50%
Note			Specific training which is exclusive to the principle enumerated above was not imparted. However routine training, on the job training as well as induction and orientation trainings apart from niche external trainings ingrain several aspects that the principles above aim to cover. The same is in line with the practices prevailing in our industry. Examples of External training includes the Familiarization Program on Independent Directors, Masterclass etc. organized by Indian Institute of Corporate Affairs ('IICA') attended by several of our directors during the Financial Year 2024-25 in Munnar, Udaipur and Srinagar. Apart from the above, Mr. Shantilal Jain, Independent Director was sponsored by the Company and successfully completed the Independent Directors Certificate Programme ('IDCP') conducted by IIM Bangalore during the earlier year. Similarly, the company makes it a point to depute its personnel to attended various meetings, events conferences and seminars organized by ICAI, ICSI, Logistics Industry Bodies, CII, Chambers of Commerce etc.
Workers	0	0	0

EI-2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

Monetary

Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary

Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

EI-3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

S. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1	-	-

EI-4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.-

Yes, All stakeholders, including employees, are discouraged from the usage of unethical tactics like bribery or kickbacks. We have a zero-tolerance stance against bribery and corruption, and we're dedicated to operating ethically, fairly, and with integrity in all of our business transactions and partnerships, regardless of who we deal with. We have put in place and enforced strong anti-bribery mechanisms. To prevent malpractice, strict rules have been established, and the repercussions of such behaviour are also clearly stated. Strong and strict controls are in place to stop such acts and individuals are urged to report any possible instances of malpractice that may have gone unnoticed. Minor instances of embezzlement or impropriety are straightaway dealt with termination. This principle is ingrained in the internal procedure manual and internal circulars for which web link cannot be provided.

EI-5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	(Current Financial Year)	(Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-

Workers	-	-
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EI-6. Details of complaints with regard to conflict of interest:

Category	Number (CY)	Remarks (CY)	Number (PY)	Remarks (PY)
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NIL	0	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NIL	0	NIL

EI-7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.-

Not Applicable

EI-8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	Current Financial Year	Previous Financial Year
Number of days of accounts payables	2.39	2.83

EI-9. Open-ness of business. Provide details of concentration of purchases with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format. Concentration of Purchases-

Parameter	Metrics	FY2023-24	FY2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.16 %	0.19 %
	b. Sales (Sales to related parties / Total Sales)	0.18 %	0.13%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

Leadership Indicators

LI-1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

S. No.	Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	0	0	0

LI-2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.-

Yes, the Company's, Code of Conduct mandates the Directors, senior management and employees to avoid situations in which their personal interests could conflict with the interests of the Company. The Code, inter alia, clarifies that conflict of interest may arise when (a) an employee or a family member has a material interest in an entity that has a business relationship with the Company or is being evaluated for a commercial transaction, or (b) an employee is in a position to benefit someone with whom he / she has a close relationship, in relation to the Company's business. Further, the Directors of the Company are required to disclose to the Board, on an annual basis, whether they, directly or indirectly or on behalf of third parties, have material interest in any transaction or matter directly affecting the Company. For instance, during the year the Company sold its property at Gangavathi to an entity owned by the Promoters. Complying in spirit with the legal provision as also the governance principles, our Promoters stayed away from all deliberations, etc. in relation to this transaction.

Link- https://vrlgroup.in/investor_download/Code_of_Conduct.pdf

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

EI-1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0	0	0
Capex	2.87%	4.77%	1. Addition of 24 Battery operated forklifts 2. Addition of 34 Electric Two-wheelers and 39 Three-wheelers 3. Addition of 25 CNG vehicles

EI-2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)- No

EI-2.b. If yes, what percentage of inputs were sourced sustainably?- Not Applicable

EI-3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.-

Not Applicable, as we are a service-based company and does not generate any products or packaging waste.

EI-4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.-

Not Applicable, as we are a service-based company and does not generate any products or packaging waste.

Leadership Indicators

LI-1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

S. No.	NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NA						

LI-2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Remarks: Not Applicable

LI-3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material FY2024-25	Action Taken FY2023-24
Not Applicable		

LI-4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY2024-25			FY2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

LI-5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

S. No.	Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable		

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

EI-1. a. Details of measures for the well-being of employees .

Category	TOTAL (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	21947	18363	83.66%	18363	83.66%	0	0.00%	0	0.00%	0	0.00%
Female	289	165	57.09%	165	57.09%	126	43.59%	0	0.00%	0	0.00%
Total	22236	18528	83.32%	18528	83.32%	126	43.59%	0	0.00%	0	0.00%
Other than permanent Employees											

Male	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%

Remark: The company only has permanent employees on its payroll and has not appointed any workers.

El-1.b. Details of measures for the well-being of workers.

Category	TOTAL (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other than permanent Workers											
Male	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%

Remarks: The Company does not have any workers.

El-1.c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	Current Financial Year	Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	17.11%	16.67%

El-2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	No. of employees covered as a % of total employees. (CY)	No. of workers covered as a % of total workers. (CY)	Deducted and deposited with the authority (Y/N/N.A.). (CY)	No. of employees covered as a % of total employees. (PY)	No. of workers covered as a % of total workers. (PY)	Deducted and deposited with the authority (Y/N/N.A.). (PY)
PF	99.04	0	Yes	99.76	0	Yes
Gratuity	100	0	Yes	100	0	Yes
ESI	80.59	0	Yes	75.21	0	Yes
Others – please specify	0	0	0	0	0	0

El-3. Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.-

Yes, the premises and offices of VRL Logistics are accessible to differently-abled employees and workers, and in compliance with the requirements of the Rights of Persons with Disabilities Act, 2016.

El-4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.-

Yes, the company has adopted an Equal Opportunity Policy. the policy can be accessed on website link https://vrlgroup.in/vrl_investors_desk.aspx?display=policies

EI-5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	0	0	0	0
Total	0	0	0	0

EI-6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA, as the company only has permanent employees on its payroll and has not appointed any workers.
Other than Permanent Workers	NA, as the company only has permanent employees on its payroll and has not appointed any workers.
Permanent Employees	YES, the Branch Heads and Area Managers are responsible to resolve/redress complaints, and disputes raised by employees at the respective branches. If a complaint is not resolved at the branch level, it gets escalated to a higher level, and further actions are taken accordingly.
Other than Permanent Employees	NA, as the company only has permanent employees on its payroll and has not appointed any workers.

EI-7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY2024-25			FY2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union(B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union(D)	%(D / C)
Total Permanent Employees	22236	0	0.00%	21557	0	0.00%
- Male	21947	0	0.00%	21301	0	0.00%
- Female	289	0	0.00%	256	0	0.00%
Total Permanent Workers	0	0	0.0%	0	0	0.0%
- Male	0	0	0.0%	0	0	0.0%
- Female	0	0	0.0%	0	0	0.0%

EI-8. Details of training given to employees and workers:

Category	FY2024-25				FY2023-24					
	Total (A)	On Health And Safety Measures	On Skill Upgradation	Total (D)	On Health And Safety Measures	On Skill Upgradation	No. E	% (E/D)	No. f	% (F/D)
	No. B	% (B/A)	No. C	% (C/A)						
Employees										

Male	21947	6037	27.50%	6037	27.50%	21301	7102	33.34%	7102	33.34%
Female	289	67	23.18%	67	23.18%	256	32	12.50%	32	12.50%
Total	22236	6104	27.44%	6104	27.44%	21557	7134	33.49%	7134	33.49%
Workers										
Male	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Total	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%

EI-9. Details of performance and career development reviews of employees and worker:

Category	FY2024-25			FY2023-24		
	Total (A)	No. B	% (B/A)	Total (C)	No.D	% (D/C)
Employees						
Male	21947	0	0.00%	21301	0	0.00%
Female	289	0	0.00%	256	0	0.00%
Total	22236	0	0.00%	21557	0	0.00%
Workers						
Male	0	0	0.0%	0	0	0.0%
Female	0	0	0.0%	0	0	0.0%
Total	0	0	0.00%	0	0	0.00%

EI-10.a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?-

Yes, VRL Logistics has implemented a management system for occupational health and safety that covers all employees of the company. The company believes that a safe and healthy workplace is essential for employee well-being and that adopting best practices in occupational health and safety positively impacts overall performance. Moreover, as part of its responsibility as a corporate citizen, this system also helps in attracting and retaining employees.

EI-10.b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?-

The company operates in the surface logistics industry and as the owner of the country's largest fleet of commercial vehicles, all risks and hazards associated with highway movement are the predominant hazards in our case. Processes used to identify relevant hazards include a thorough assessment of incidents which leads to identification of source level issues which are subsequently remedied and frequently reviewed on an ongoing basis along with requisite tweaks to internal processes directed at preventing repetition.

EI-10.c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)- YES- As stated above.

EI-10.d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)- Yes, the company only has permanent employees on its payroll, and these employees, based on their employment category, are provided with ESI coverage and group health insurance policies.

EI-11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY2024-25	FY2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.83	1.32
	Workers	0	0
Total recordable work-related injuries	Employees	45	69
	Workers	0	0

No. of fatalities	Employees	20	11
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

EI-12. Describe the measures taken by the entity to ensure a safe and healthy work place.-

VRL Logistics, with India's largest owned vehicle fleet and over 1253 locations across the country, takes health and safety measures very diligently. We provide all our employees with regular health and safety training, ensuring they are up-to-date with industry best practices. Safety protocols are embedded in our internal processes. Given that the majority of our workers are drivers, we meticulously maintain our fleet's health. Vehicles are regularly inspected and kept in optimal condition to prevent accidents. Drivers receive regular safety instructions and are mandated to follow safety guidelines and regional road safety regulations diligently. Additionally, we adhere to all necessary steps to maintain a safe and healthy workplace.

EI-13. Number of Complaints on the following made by employees and workers:

	FY2024-25		FY2023-24			
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working and conditions	12	0		35	0	
Health and safety	4	0		8	0	

EI-14. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	
Working Conditions	Refer note below

Note: The company operates nearly 1253 branches across the country and its operations are spread. At any given point in time over 7000+ drivers are always on road. As such inspections are not applicable. However, several labour officers keep visiting our centralized facility located at Varur, Hubballi, as also our branches and transshipment hubs across the country. We do not keep a count of the same.

EI-15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.-

Road accidents are an inherent risk in our business, which is why we prioritize continuous safety training for our drivers. This ongoing commitment ensures that our drivers are well-equipped to handle the challenges of the road, significantly reducing the chances of incidents and enhancing overall safety

Leadership Indicators

LI-1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).-

(A) Employees- Yes

(B) Workers- Not applicable as the company only has permanent employees on its payroll.

LI-2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.-

Given the nature of our industry, we do not monitor the same.

LI-3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Total no. of affected employees/ workers			No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2024-25	FY2023-24	FY2024-25	FY2023-24
Employees	20	0	1	0
Workers	0	0	0	0

LI-4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) - No

LI-5. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working Conditions	-

LI-6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

- Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

EI-1. Describe the processes for identifying key stakeholder groups of the entity.-

Stakeholders include the individuals or groups who could significantly impact our business financially or otherwise. Our stakeholders list consists of Individual Investors, group of Investors, Customers, Bankers, Financial Institutions, employees, agents, landlords of rental premises are identified as key stakeholder groups and they would be identified based their contributions to value and growth of the Company.

EI-2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Shareholders and Investors	No	Annual Report, Investor presentations, Annual General Meeting, Investor/ analysts calls and meet, Media releases, Website of the Company.	Ongoing interaction with at least one engagement every quarter	To establish an efficient communication channel.

2	Employees	No	Direct & other communication mechanisms	Regular interaction with employees and addressing their needs	To establish an efficient communication channel.
3	Customers	No	Direct communication over email, phone and in- person visit to the Customers venue	Ongoing & Regular	Business offering related -freight services and improve quality of service by collecting their feedback.
4	Bankers and Financials Institutions	No	Periodical MIS Reports, Annual Reports etc	Regular	Need basis

Leadership Indicators

LI-1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.-

The Company has consistently maintained that by staying engaged with its major constituents on a regular basis and taking an active role in those interactions, the Company is better equipped to convey its goals and progress. The company may better serve its stakeholders by maintaining a consistent level of involvement that helps to align expectations. Various developments are reported to the board, and the directors are asked for their opinions on such developments.

LI-2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.- No Environmental or social topic targeting is not specifically done in the course of stakeholders engagement.

LI-3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.-

Not applicable as there are no identified vulnerable or marginalized stakeholder groups.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

EI-1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2024-25			FY2023-24		
	Total (A)	No Of Employees / Workers Covered (B)	% (B/A)	Total (C)	No Of Employees / Workers Covered (D)	% (D/C)
Employees						
Permanent	22236	0	0.00%	21557	0	0.00%
Other than permanent		0	0.0%	0	0	0.0%
Total Employees	22236	0	0.0%	21557	0	0.0%
Workers						
Permanent	0	0	0.0%	0	0	0.0%

Other than permanent	0	0	0.0%	0	0	0.0%
Total Workers	0	0	0.0%	0	0	0.0%

Note: Training and introduction to relevant and applicable policies being adopted within the company is being imparted to all new joinees as a part of their Orientation/ Induction. No exclusive training on human rights issues is being given.

EI-2. Details of minimum wages paid to employees, in the following format:

Category	Total (A)	FY2024-25				Total (D)	FY2023-24				
		Equal To Minimum Wage		More Than Minimum Wage			Equal To Minimum Wage		More Than Minimum Wage		
		No. B	% (B/A)	No. C	% (C/A)		No. E	% (E/D)	No. F	% (F/D)	
Employees											
Permanent	22236	0	0.00%	22236	100.00%	21557	0	0.00%	21557	1000.00%	
Male	21947	0	0.00%	21947	100.00%	21301	0	0.00%	21301	100.00%	
Female	289	0	0.00%	289	100.00%	256	0	0.00%	256	100.00%	
Other than Permanent	0	0	0	0	0.0%	0	0	0.0%	0	0.0%	
Male	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	
Female	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	
Workers											
Permanent	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	
Male	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	
Female	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	
Other than Permanent	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	
Male	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	
Female	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	

EI-3. a. Details of remuneration/salary/wages, in the following format: Median remuneration/wages:

	Male		Female	
	Number	Median Remuneration / Salary/ Wages Of Respective Category	Number	Median Remuneration / Salary/ Wages Of Respective Category
Board of Directors (BoD)	3	36000000	0	0
Key Managerial Personnel	2	17074000	0	0
Employees other than BoD and KMP	21942	16000	289	16000
Workers	0	0	0	0

Note: We have excluded independent and Non-executive directors and considered only such directors who are in whole-time employment of the company and draw salary.

EI-3. b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	Current Financial Year	Previous Financial Year
Gross wages paid to females as % of total wages	1.30	1.16

EI-4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)-

Yes, Human Resource team is the focal point for addressing human rights impacts or issues caused to any employees into the company.

EI-5. Describe the internal mechanisms in place to redress grievances related to human rights issues.-

The person in charge of the human resources function is responsible for overseeing and resolving any problems resulting from the business's effects on or contributions to violations of human rights.

EI-6. Number of Complaints on the following made by employees and workers:

	FY2024-25			FY2023-24		
	Filed During The Year	Pending Resolution At The End Of The Year	Remarks	Filed During The Year	Pending Resolution At The End Of The Year	Remarks
Sexual Harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

EI-7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	Current Financial Year	Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

EI-8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.-

Whistle Blower and POSH Act related policies is in place to safeguard and keep confidential the identity of the complainant.

EI-9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)- No

EI-10. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others – please specify	0%

EI-11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.- Not Applicable

Leadership Indicators

LI-1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.-

All our operations comply with basic human rights laws, and therefore, no specific processes have been modified or introduced to address human rights grievances or complaints.

LI-2. Details of the scope and coverage of any Human rights due-diligence conducted.-

Not Applicable

LI-3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?-

Yes, our premises are accessible to differently-abled visitors. The policy can also be accessed on our website.

LI-4. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0%
Discrimination at workplace	0%
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Wages	0%
Others – please specify	0%

LI-5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.- Not Applicable

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25	FY 2023-24
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	47754.00	43728.30
Total fuel consumption (E)	3663226.138	3607652.645
Energy consumption through other sources (F)	0	0

Total energy consumed from non-renewable sources (D+E+F)	3710980.14	3651380.95
Total energy consumed (A+B+C+D+E+F)	3710980.14	3651380.95
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	11.65 GJ/Lakh	12.55 GJ/Lakh
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	240.61 GJ/Lakh USD	259.26 GJ/Lakh USD
Energy intensity in terms of physical output	0.07 GJ/ Hours worked	0.07 GJ/ Hours worked
Energy intensity (optional) – the relevant metric may be selected by the entity	–	–

Note: Energy consumption provided in GJ. PPP factor 20.66 from latest IMF factors provided as on 08/05/2025
<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

EI-1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

No independent assessment done

EI-2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.- No

EI-3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii)Groundwater	12620	200750
(iii)Third party water	0	0
(iv)Seawater / desalinated water	0	0
(v) Others	30370	198000
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	42990	398750
Total volume of water consumption (in kilolitres)	42990	398750
Water intensity per rupee of turnover (Water consumed / turnover)	0.13 KL/Lakh	1.37 KL / Lakh
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	2.79 KL/ Lakh	28.31 KL / Lakh
Water intensity in terms of physical output	0.00 KL/ Hours Worked	0.01 KL/ Hours Worked
Water intensity (optional) – the relevant metric may be selected by the entity. KL / 0 of 0	–	–

Note: The year gone by witnessed a very favourable monsoon which helped conserve higher quantum of harvested rain water. The company also increased the capacity of storage tanks for rain water which drastically reduced the water withdrawal from other sources. The year also witnessed a marked increase in the usage of recycled and treated water for sewage, gardening and vehicle washing purposes.

EI-3. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

No independent assessment done.

EI-4. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres)

Parameter	FY2024-25	FY2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

EI-4. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

No independent assessment done

EI-5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.-

No, the company does not have a Zero Liquid Discharge treatment system. Instead, most of the water used in our centralised maintenance facility at Varur, Hubballi undergoes treatment and is reused for gardening purposes. Additionally, we have installed a bacteria-based, chemical-free water treatment plant at our Varur facility. The sludge from this facility is distributed among local farmers who use it as fertilizer.

EI- 6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	Current Financial Year	Previous Financial Year
NOx	MT	487.56	480.17
SOx	MT	2031.52	2000.7
Particulate matter (PM)	MT	1015.76	1000.35
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

EI-6. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No independent assessment done.

EI-7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) in MTCO2E & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	TCO ₂ e	2,74,255.01	270094.39
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	TCO ₂ e	9418.15	8624.193
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	TCO ₂ e / rupee of turnover	0.8903 TCO ₂ e / Lakh	0.9579 TCO ₂ e / Lakh
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	TCO ₂ e / rupee of turnover	18.3928 TCO ₂ e / Lakh	19.7900 TCO ₂ e / Lakh
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.0053 TCO ₂ e / Hours worked	0.0054 TCO ₂ e / Hours worked
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		–	–

EI-7. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

No independent assessment done

EI-8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.-

As a logistics company, we prioritize the efficient management of our fleet emissions and are actively working to reduce our overall greenhouse gas (GHG) emissions. Given that fleet fuel usage is our primary emission source, our major focus has been on transitioning from older vehicle models to BSVI-compliant vehicles. Additionally, we have commenced the commercial application of electric vehicles for local deliveries, and pick-ups. We are systematically phasing out older models by scrapping them and replacing them with new, energy-efficient vehicles that emit less pollution.

The company also has a long-term contract with the Asian Development Bank (ADB) to sell all our carbon credits (CERs). Our Clean Development Mechanism (CDM) project is registered with the United Nations Framework

Convention on Climate Change (UNFCCC), and we have obtained the necessary approvals for trading these carbon credits. We hold a significant tradable balance of Certified Emission Reductions (CERs), underscoring our efforts in managing our emissions reductions.

In addition to this, we are committed to using biodiesel instead of fossil diesel to further reduce emissions. However, due to unviable pricing and limited availability of biodiesel, we could not source it in the current fiscal year.

EI-9. Provide details related to waste management by the entity, in the following format:

Parameter	FY2024-25	FY2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.00	0.00
E-waste(B)	0.90	0.80
Bio-medical waste (C)	0.00	0.00
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	27.66	20.43
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	7.127	6.43
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5024.15	2453.93
Total (A + B + C + D + E + F + G + H)	5058.93	2480.79
Waste intensity per rupee of turnover (Total Waste Generated / Revenue from operations)	0.0159 MT / Lakh	0.0085 MT / Lakh
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Waste Generated / Revenue from operations adjusted for PPP)	0.3280 MT / Lakh	0.1761 MT / Lakh
Waste intensity in terms of physical output	0.0001 MT/ Hours Worked	0.0000 MT/ Hours Worked
Waste intensity (optional) the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste - Plastic		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
Category of waste - E-Waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-

Category of waste - Bio-medical waste			
(i) Recycled	-	-	-
(ii) Re-used	-	-	-
(iii) Other recovery operations	-	-	-
Total	-	-	-
Category of waste - Construction and demolition waste			
(i) Recycled	-	-	-
(ii) Re-used	-	-	-
(iii) Other recovery operations	-	-	-
Total	-	-	-
Category of waste - Battery waste			
(i) Recycled	-	-	-
(ii) Re-used	-	-	-
(iii) Other recovery operations	-	-	-
Total	-	-	-
Category of waste - Radioactive waste			
(i) Recycled	-	-	-
(ii) Re-used	-	-	-
(iii) Other recovery operations	-	-	-
Total	-	-	-
Category of waste - Other Hazardous waste			
(i) Recycled	-	-	-
(ii) Re-used	-	-	-
(iii) Other recovery operations	-	-	-
Total	-	-	-
Category of waste - Other Non-Hazardous waste			
(i) Recycled	-	-	-
(ii) Re-used	-	-	-
(iii) Other recovery operations	-	-	-
Total	-	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			

Category of waste - Plastic		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Category of waste - E-Waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Category of waste - Bio-medical Waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Category of waste - Construction and demolition waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Category of waste - Battery		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Category of waste - Radioactive		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Category of waste - Other Hazardous waste. Please specify, if any		
(i) Incineration	0.00	0.00
(ii) Landfilling	0.00	0.00

(iii)Other disposal operations	7.127	6.43
Total	7.127	6.43
Category of waste - Other Non-hazardous waste generated		
(i)Incineration	0.00	0.00
(ii)Landfilling	0.00	0.00
(iii)Other disposal operations	5024.15	2453.93
Total	5058.93	2480.79

EI-9. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

No independent assessment being undertaken

EI-10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.-

Our waste management practices consist of the following:

1. E-waste, hazardous waste, and battery waste are directed to third-party licensed recyclers for proper handling.
2. Water waste generated from vehicle washing is either treated and reused for washing purposes or ultimately used for gardening.
3. At our Varur Facility, which hosts a centralized vehicle maintenance facility, we have implemented a bacteria-based, chemical-free water treatment system. The resulting sludge from this system is distributed to local farmers as fertilizer.

EI-11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	NOT APPLICABLE	0	0

Remarks: 'We do not have operations in/around ecologically sensitive areas'

EI-12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	NOT APPLICABLE	0	0	0	0	0

EI-13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	FULLY COMPLIANT	0	0	0

Remarks: FULLY COMPLIANT

Leadership Indicators

LI-1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): (i) Name of the area-

Not Applicable

LI-1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): (ii) Nature of operations-

Not Applicable

LI-1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Water withdrawal, and consumption in the following format:

Parameter	FY2024-25	FY2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	0	0
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed / turnover)	0 KL / Lakh	0 KL / Lakh
Water intensity (optional) – the relevant metric may be selected by the entity.KL / 0 of 0	–	–
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
With treatment – please specify level of treatment	0	0

(v) Others		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

LI-1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

No independent assessment done.

LI-2. Please provide details of total Scope 3 emissions (MTCO2E) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MTCO ₂ E	54,851.00	54018.877
Total Scope 3 emissions per rupee of turnover	MTCO ₂ E / rupee of turnover	0.17 TCO ₂ e / Lakh	0.19 TCO ₂ e / Lakh
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		–	–

Remark: The Scope 3 emissions calculation is based on the assumption that, for a logistics company, Scope 3 emissions constitute approximately 20% of the Scope 1 emissions. For the previous year, this proportion was determined to be 18%.

LI-2. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

No independent assessment done.

LI-3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.-

Not applicable

LI-4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	We are in the process of converting diesel forklifts to electric forklifts	Usage in transshipment hubs	Reduced Pollution and a safer work environment for our transshipment employees.
2	Fleet Modernisation	We are currently phasing out traditional vehicles and replacing them with modern, environmentally friendly BS-VI vehicles. These vehicles feature advanced technology that emits significantly lower Co ₂ emissions. Additionally, we are expanding our fleet with new electric and CNG vehicles, further enhancing our commitment to sustainability.	Reduce Scope 1 Co ₂ emissions.

3	Installing rooftop solar panels	We have successfully implemented rooftop solar panels at several facilities and are actively expanding their installation to other facilities and depots to decrease our dependency on non-renewable energy sources.	Reduce the Co2 footprint of the company.
4	Installation of LED Lights instead of Conventional lights	LED lighting is being predominantly used across a majority of the offices of the Company. Also, preference is being given for the procurement of energy-efficient equipment for new equipment additions as well as for replacement of existing equipments.	Lower consumption of power.
5	Replacement of batteries in trucks	For efficient energy and environment conservation, we have started replacing traditional lead-acid battery with lithium-ion batteries. Lithium-ion batteries offer approximately 50% higher efficiency compared to lead-acid batteries. This initiative has already been implemented across 112 branches	Promoting environmental sustainability through innovative technology adoption. Environment friendly initiative.
6	Addition of electric & CNG vehicles	Addition of 7 electric and 30 CNG vehicles.	Eco-friendly initiative
7	Rain water harvesting	At Varur, where our centralized vehicle maintenance is located, we have dedicated a 100 ft x 100 ft x 25 ft. deep space for rainwater harvesting. The same caters to our requirement for over 9 months in a year where more than 3000 people are employed at this facility	Reduced groundwater withdrawal.

LI-5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.-

The operations of the Company are spread over 24 States and 5 Union Territories across the country. There are no areas or offices where business concentration exists. The non-dependence on any product category or geographical area is an inherent strength of the Company's business model and this has ensured that the Company has swiftly recovered from adverse economic scenarios. Such a significant recovery was recently witnessed during the pandemic wherein the Company had reported significant losses during the lock downs but the business was resilient enough to not only recoup such operating losses but also to bounce back and report significant profits upon end of lockdowns. Even in the past, the economy has seen several highs and lows. There were periods of economic slowdown as also periods of economic revival. Our Company has been in existence for over 4 decades and has consistently demonstrated business growth over the years irrespective of the economic situation. This strength again is a result of non dependence on any customer / product / geography. In terms of business continuity, we wish to state that the entire operations work on the backbone of in-house developed technology and our entire IT framework is developed and maintained internally. This ensure that our business operations operate on an online real time basis in an unhampered manner and due flexibility for implementing operational changes exists with minimal turnaround time within our organization.

LI-6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.-

No such significant or adverse impact exists.

LI-7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.- No such assessment conducted.

LI-8. How many Green Credits have been generated or procured?

- a. Generated by the listed entity -
 b. Procured by the top ten (in terms of value of purchases and sales, respectively) value chain partners -
 Remarks: Not Applicable

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Essential Indicators
EI-1.a. Number of affiliations with trade and industry chambers/ associations.-

The company was a member of five trade and Industry chambers/associations during FY 2024-25.

EI-1.b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. NO	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	All Indian Motor Transport Congress (AIMTC) the nodal body of surface logistics players in the country	National
2	We are members of the State Level Goods Transport Associations	State
3	Members of the Federation of Karnataka of Chamber of Commerce and Industry(FKCCI)	State
4	Approved Logistics Service Provider of the Indian Banks Association	National
5	Members of International Air Transport Association (IATA)	National

EI-2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

S. No.	Name of authority	Brief of the case	Corrective action taken
Not Applicable			

Leadership Indicators
LI-1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1	Nil	NA	No	Quarterly	NA

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development
Essential Indicators
EI-1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

EI-2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

EI-3. Describe the mechanisms to receive and redress grievances of the community.-

No such mechanism has been set up to address grievances. Senior officers would depute as and when such sever grievances received from the Community.

EI-4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	Current Financial Year	Previous Financial Year
Directly sourced from MSMEs/ small producers	18.96	19.65
Sourced directly from within India	100	100

EI-5. Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost. (Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Location	Current Financial Year	Previous Financial Year
Rural	7.02%	10%
Semi-urban	22.54%	35%
Urban	36.15%	35%
Metropolitan	34.29%	20%

Note: Predominant portion of our employees comprise of drivers, hamals, mechanics etc. who work across the Country on rotation/deputation. Hence provision of accurate data in this regard is subjective.

Leadership Indicators

LI-1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

S. No.	Details of negative social impact identified	Corrective action taken
Not Applicable		

LI-2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
			NIL

LI-3.a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)-

No, we don't have a preferential procurement policy.

LI-3.b. From which marginalized /vulnerable groups do you procure?-

Currently, we are not procuring from any marginalized /vulnerable group.

LI-3.c. What percentage of total procurement (by value) does it constitute?-

0%

LI-4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
1	The Company does not deal in inventions, literary, musical, and creative works, as well as symbols, names, pictures, and designs used in commerce, for which IP owners are allowed certain exclusive rights under national IP laws.	No	No	NA

LI-5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

S. No.	Name of authority	Brief of the Case	Corrective action taken
NIL			

LI-6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Education	7307	80%
2	Healthcare related project	49001	90%
3	Orphanages & Old age homes	205	95%
4	Promoting Women Empowerment	451	85%
5	Promoting National Recognized Sports	3151	100%
6	Promoting rural Sports	401	100%
7	Skill Development	750	90%
8	Rural Development	10000	90%
9	Research & Development	6	17%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

EI-1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback-

We are constantly striving to ensure our users receive the best service experience. Dedicated Customer Care

Departments have been established at our Registered Office, Transshipment Hubs, and major branches, enabling customers to directly contact relevant personnel to resolve issues promptly. For all other facilities, customers can reach us via phone or email to inquire or lodge complaints. Our Customer Care Department ensures prompt responses and we endeavour to resolve issues at the earliest.

EI-2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

EI-3. Number of consumer complaints in respect of the following:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	90383	767		32520	842	

EI-4. Details of instances of product recalls on account of safety issues:

Category	Number	Reasons for recall
Voluntary recalls	0	nil
Forced recalls	0	nil

EI-5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.-

No

EI-6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services..

No issues were encountered related to advertising, delivery of essential services, cybersecurity, data privacy, product recalls, or regulatory actions, hence no corrective actions were taken.

EI-7. Provide the following information relating to data breaches

- Number of instances of data breaches along-with impact- 0
- Percentage of data breaches involving personally identifiable information of customers- 0

c. Impact, if any, of the data breaches- Nil

Leadership Indicators

LI-1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).-

The information on services offered by the entity can be accessed through the following link: https://vrlgroup.in/vrl_logistics_service.aspx

LI-2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.-

Not applicable, as VRL Logistics is a service-based company, and we are not directly involved in categorizing the types of products we transport for our clients. Our role primarily focuses on ensuring efficient and safe delivery of goods as per our client's requirements and instructions.

LI-3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.-

Information regarding service disruption or discontinuation can be accessed through our platform at <https://vrlgroup.in>.

LI-4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)-

Being the company engaged in service industry no such action is required. However, a survey has been conducting by the company through its Branch officers and marketing teams at different locations at various platforms in respect of consumer satisfaction and their concern. All Internal Auditors have informed, at the time of their routine inspection, visits at customer place to collect feedback of services of the company and report to the concern higher level officers

REPORT ON CORPORATE GOVERNANCE

VRL Logistics Limited (“**the Company**”) philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance. Transparency, integrity, professionalism, accountability-based values, morals and commitment, ethical business conduct and considering all stakeholders’ interest form the basis of the Company’s philosophy for Corporate Governance and the continued application of these principles to the business practices has led to the growth of the Company over the years. The Company believes that corporate governance is beyond financial results and is a pre-requisite to the attainment of excellent performance in terms of stakeholders’ long term value creation. The Company believes Corporate Governance is an ethically driven business process that is committed to values, aimed at enhancing an organization’s brand and reputation. Hence, it is imperative to establish, adopt and follow best corporate governance practices thereby facilitating effective Management and carrying out our business by setting principles, benchmarks and systems to be followed by the Board of Directors (“**the Board**”), Management and all Employees in their dealings with Customers, Stakeholders and Society at large. The implementation of such good practices generates goodwill amongst all the stakeholders including business partners, customers, employees and investors. It also earns respect from society and brings consistent sustainable growth for your Company and its investors.

The objective of the Company is not only to achieve excellence in Corporate Governance by conforming to prevalent mandatory guidelines on Corporate Governance but also to improve on these aspects on an ongoing basis. It is a reflection of principles entrenched in our values and policies and also embedded in our day-to-day business practices, leading to value driven growth. By upholding these practices, the Company aims to create an efficient and sustainable environment that benefits its stakeholders in the long run. The Company believes that good Corporate Governance is a continuous improvement seeking process and strives to further improve the Corporate Governance practices to meet the expectations of all the stakeholders. The Company is committed to focus its energies and resources in creating and positively leveraging shareholders’ wealth and at the same time, safeguarding the interests of all the stakeholders. This is our path to sustainable and profitable existence and growth.

We detail hereunder the Company’s compliance with Regulation 34(3) read with the Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as “**SEBI Listing Regulations**”) as applicable:

I) Board of Directors

The Board is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance. The Board exercises leadership, integrity and judgment in directing so as to achieve continuing prosperity and to act in the best interest of the Company. The Board plays a critical role in overseeing how the management serves the short-term and long-term interests of shareholders and other stakeholders.

The Board is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. Additionally, the Board, aided by its committees, proactively identifies key risk areas and monitors essential performance indicators to ensure the sustained success of its business.

(a) Composition of the Board

The composition of the Board is in conformity with Section 149 and Section 152 of the Companies Act, 2013 (“**the Act**”) and Regulation 17 of the SEBI Listing Regulations, which stipulates that the Board shall have optimum combination of executive and non-executive directors with at least one independent woman director and at least 50% of the Board shall consist of independent directors, as the Chairman of our Board is an Executive Director.

As on March 31, 2025, the Board consisted of twelve directors. Out of these, three are Executive Directors including the Chairman and the Managing Director, who also are the Promoters of the Company and, by virtue of the Company’s Articles of Association these two directors are not liable to retire by rotation, and the third is a Whole-time Director who is liable to retire by rotation.

Of the Nine Non-Executive Directors, six are Independent Directors (IDs). The Company has appointed one Independent Woman Director. One of the Non-Executive Director is also related to the promoters and he is subject to retirement by rotation.

The Directors possess the requisite qualifications, expertise and experience in general corporate management, accounts, audit, finance, banking, academics, administration, security, law, engineering and other allied fields enabling them to contribute effectively in their capacity as directors of the company. The detailed profile of the directors is available on the Company’s website at www.vrlgroup.in

The composition of the Board of Directors is summarized below:-

- 1 (One) – Chairman & Managing Director (Promoter Group)
- 1 (One) - Managing Director (Promoter Group)
- 1 (One) – Whole-time Director (Executive Director)
- 6 (Six) - Non-Executive, Independent Directors, one of whom is woman Directors
- 3 (Three) - Non-Executive, Non-Independent Directors, one of whom is related to the Promoters

Dr. Vijay Sankeshwar, Chairman & Managing Director (CMD), Dr. Anand Sankeshwar, Managing Director (MD) and Mr. Shiva Sankeshwar, Non-Executive Director are related to each other. Other than that, none of the other Directors of the Company are related to each other.

The Company has issued a formal appointment letter to the IDs, as required under Section 149 of the Act read with schedule IV of the Act. The terms and conditions of appointment of IDs are available on the Company's website i.e., www.vrlgroup.in.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as an Independent Directors of the Company.

In the opinion of the Board and based on the declarations received from the Independent Directors, the Board of Directors has confirmed that these individuals meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013. ("the Act") and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the Management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

CHANGE IN BOARD COMPOSITION DURING THE FINANCIAL YEAR 2024-25

Changes in board composition are tabled hereunder:

Sl. No	Name of the Directors	Nature of Change	Date of Change
1	Mr. Virupaxagouda Patil	Appointed as an Independent Director	April 1, 2024
2	Mr. Vinay Javali	Appointed as an Independent Director	April 1, 2024
3	Mrs. Medha Pawar	Retired on completion of tenure as an Independent Director.	December 11, 2024
4	Mr. Shankarasa Venkosa Ladwa	Retired on completion of tenure as an Independent Director.	February 18, 2025
5	Dr. Anand Krishnarao Pandurangi	Retired on completion of tenure as an Independent Director.	February 18, 2025
6	Dr. D V Guruprasad	Appointed as an Independent Director	February 19, 2025
7	Mr. Shankar Vasantrao Pingre	Appointed as an Independent Director	February 19, 2025

(b) Number of Board Meetings

The Board of Directors met five times during the financial year 2024-25. The meetings were held on May 20, 2024, August 5, 2024, November 13, 2024, November 23, 2024 and February 5, 2025. The maximum time gap between two consecutive meetings did not exceed one hundred and twenty days as mandated under the Act. The requisite quorum was present at all the meetings, ensuring effective decision-making in the Company.

(c) Directors' attendance record and details of Directorships/Committee Positions held

In terms of SEBI Listing Regulations, none of the Directors on the Board of Directors is a member of more than ten Board-level committees nor Chairperson of more than five such committees, across all companies in which they are a Director.

Further, none of the Directors of the Company serve as an Independent Director in more than seven listed companies.

Necessary declarations regarding Committee positions in other public companies as on March 31, 2025, have been received from the Directors.

Table 1 provides the names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and Board-level committee positions held by them.

Table 1: Details of the Directors as on March 31, 2025

Name of the Directors & DIN	Category of Directorship	Number of Board meetings		Meetings held during the tenure as Director	Whether attended last AGM held on August 5, 2024	Number of Directorships of other public companies @	Committee Positions \$	
		Held	Attended				Chair person	Member
Dr. Vijay Sankeshwar (DIN:00217714)	Chairman & Managing Director	5	5	5	Yes	-	-	-
Dr. Anand Sankeshwar (DIN:00217773)	Managing Director	5	5	5	Yes	-	-	-
Mr. L R Bhat (DIN:01875068)	Whole time director	5	5	5	Yes	-	-	-
Mr. Shiva Sankeshwar (DIN: 09236519)	Non-Executive Director	5	5	5	Yes	-	-	-
Mr. Shankarasa Ladwa (DIN:06964188) ##	Independent Director	5	5	5	Yes	-	2	2
Mrs. Medha Pawar (DIN:06921510)*	Independent Director	5	4	4	Yes	-	-	2
Mr. Shantilal Jain (DIN: 00571902)	Independent Director	5	5	5	Yes	1	1	1
Dr. (Mrs)Shailaja Ambli (DIN:10393506)	Independent Director	5	1	1	NA***	-	-	-
Dr. Ashok Shettar (DIN:07038714)	Non-Executive Director	5	5	5	Yes	-	-	1
Dr. Raghottam Akamanchi (DIN:07038738)	Non-Executive Director	5	5	5	Yes	-	-	1
Mr. V A Patil \$\$ (DIN : 10395538)	Independent Director	5	4	5	Yes	-	-	-
Mr. Vinay J Javali \$\$ (DIN: 00589315)	Independent Director	5	5	5	Yes	-	-	1
Mr. Shankar Vasantrao Pinge*** (DIN: 10847936)	Independent Director	5	0	0	NA***	-	1	1
Dr. D V Guruprasad *** (DIN: 01558266)	Independent Director	5	0	0	NA***	-	-	-

*** Mr. Shankar Vasantrao Pinge and Dr. D. V. Guruprasad were appointed as an Independent Directors of the Company for a period of 5 years vide Postal Ballot dated January 15, 2025, the effective date of their appointment being February 19, 2025. The AGM was held prior to their appointment.

* Mrs. Medha Vivek Pawar, Independent Director of the Company, retired pursuant to the conclusion of her tenure w.e.f. December 11, 2024.

Mr. Shankarasa Venkosa Ladwa and Dr. Anand Krishnarao Pandurangi, Independent Directors of the Company retired upon completion of their tenure w.e.f. February 18, 2025.

\$\$ Mr. Vinay J Javali and Mr. V A Patil were appointed as an Independent Directors of the Company for a period of 5 years at the Postal Ballot dated January 18, 2024, the effective date of their appointment being April 1, 2024.

@ Excludes private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 (i.e. associations not carrying on business for profit or which prohibit payment of dividend).

\$ Chairmanship/Membership of Audit Committee and Stakeholder's Relationship Committee in other public companies were only considered.

Note: None of the Directors of the Company are on the Board of any other listed entity.

(d) Information to the Board

Detailed agenda and related papers were sent to each Director in advance prior to the Board and Committee Meetings. As an internal policy, all decisions involving major investments and major capital expenditure, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. Inter-alia, as a matter of policy, the following information, as may be applicable and required, is provided to the Board as a part of the agenda papers.

- Annual operating plans, budgets and updates thereon.
- Capital budgets and any updates thereon.
- Quarterly, Half yearly and Annual results of the Company and its operating divisions or business segments upon related audit / limited review completion – circulated at the meetings as the information contained herein is unpublished price sensitive information.
- Minutes of the meetings of the audit committee and other committees of the board.
- Materially important show cause notices, demand notices, prosecution notices and penalty notices, if any.
- Details of fatal or serious accidents, dangerous occurrences and any other material adverse developments.
- Any material default in financial obligations to and by the Company or substantial non-payments by clients/customers.
- Any issue, which involves possible public or product liability/claims of substantial nature, including any judgments or orders which may have passed structures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant development in human resources or on the industrial relations front such as signing of wage agreement etc.
- Sale of Investments, Subsidiaries, assets which are material in nature, and/or of assets which are not in the normal course of business.
- Compliance of regulatory and statutory requirements.
- Related Party Transactions though all transactions with related parties which are at arm's length basis, for approval.
- Declaration by Independent Directors at the time of appointment/annually.
- Disclosure of Directors' interest and their shareholdings.
- Appointment or removal of the Key Managerial Personnel.
- Appointment of Internal Auditors and Secretarial Auditors.
- Annual Secretarial Audit and Secretarial Compliance Reports submitted by Secretarial Auditors.
- Declaration of Dividend.
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made.
- Significant changes in accounting policies and internal controls.
- External regulatory and policy changes that have a potential to adversely affect the Company.

The Audit Committee periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Management as well as steps taken by the Company to rectify instances of non-compliances, if any, and the Chairman of the said committee informs the board suitably in this regard.

(e) Disclosure of relationships between directors inter-se

Dr. Vijay Sankeshwar, Dr. Anand Sankeshwar and Mr. Shiva Sankeshwar are related to each other. Dr. Vijay Sankeshwar is the father of Dr. Anand Sankeshwar and Dr. Anand Sankeshwar is the father of Mr. Shiva Sankeshwar. Except these, none of the other Directors are related to each other in any manner.

(f) Shareholding of Non-Executive Directors

As on March 31, 2025, none of the non-executive directors of the Company held any shares or convertible instruments in the Company.

(g) Details of Familiarization Programmes imparted to Independent Directors

Regulation 25(7) of SEBI Listing Regulations stipulates that the Company shall familiarize the independent directors with the Company, their roles, rights, responsibilities, nature of the industry etc., through various

programmes. During the financial year, at the meetings of the Board of Directors as also its Committees, the senior management team has from time to time put up presentations to Directors giving an overview of the Company's operations, functions and business strategy of the Company. As a good Corporate Governance and company's standard practice, all new Directors, including Independent Directors, who join the Board, undergo a brief orientation in the ensuing Board meeting. The objective is to provide them with a broad understanding of the company, its operations, and its governance structure as well where the Directors are encouraged to visit the Company's Registered office as also other offices and facilities, where they have the opportunity to interact with members of the Senior Management team and facilitate an exchange of insights and ideas, allowing the Directors to gain valuable overview knowledge of the strategy and business operations of the Company.

All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. During the year, several Independent Directors of the Company also were sponsored to attend conferences on familiarisation and knowledge based programmes conducted by the Indian Institute of Corporate Affairs, New Delhi at Munnar, Udaipur and Srinagar to enhance their skill, knowledge and provide value addition to the Company with their expertise and experience.

The details of familiarization programmes held for directors can be accessed through the following link.

http://vrlgroup.in/investor_download/Familiarisation%20Programme%20for%20Independent%20Directors.pdf

(h) Skills, Expertise and Competencies of the Board

The list of core skills / expertise / competencies, identified by the Board of Directors, as required in the context of its business and sector for it to function effectively and those actually available with the Board are summarized below. All the individuals comprising the Board of the Company are eminent personalities and are people of repute and standing in their individual core sectors / fields.

Core skills / expertise identified by the Board as requirement for the Company													
Name of the Directors	Logistics experience	Business Operations & Mgmt.	Information Technology	Business Development	Resource mobilisation & optimisation	Risk Management	Business Strategy	Corporate Governance	Liaisoning	Finance & Accounts	Legal expertise	Ethics	Human Resource Management
Dr. Vijay Sankeshwar	√	√		√	√	√	√	√	√	√	√	√	√
Dr. Anand Sankeshwar	√	√		√	√	√	√	√	√	√	√	√	√
Mr. L R Bhat	√	√	√	√	√	√	√	√				√	
Mr. Shiva Sankeshwar	√		√	√	√		√	√				√	
Dr. Raghottam Akamanchi			√		√			√	√		√	√	√
Dr. Ashok Shettar		√	√	√	√		√	√				√	
Mr. Shantilal Jain	√	√	√	√	√	√	√	√		√		√	
Mr. V A Patil	√		√					√	√	√		√	
Mr. Vinay Javali	√	√		√	√	√	√						
Dr. (Mrs) Shailaja Ambli	√	√	√	√	√	√	√	√	√	√	√		
Dr. D V Guruprasad	√				√		√	√	√		√	√	√
Mr. Shankar Pingre			√	√		√	√	√		√	√	√	

Note : details only in respect of current directors is tabulated above.

(i) Confirmation on Independent Directors

The Board, based on the disclosures received from all Independent Directors, confirms that all Independent Directors fulfil the conditions of Independence as specified in Companies Act/ SEBI Listing Regulations and are independent of the Management of the Company for the year ended March 31, 2025.

(j) Resignation of Independent Directors

During the year, none of the Independent Directors resigned from the Board of Directors

(k) Remuneration to Directors

Directors with pecuniary relationship or business transactions with the Company

The Chairman & Managing Director (CMD), the Managing Director (MD) and Whole-time Directors (WTD) of the Company receive remuneration in form of monthly salary, perquisites, allowances, commission on net profits and other benefits as stated in the respective agreements entered into by them with the Company, duly approved by the shareholders, while all the Non-Executive Directors receive sitting fees for attending the Board and Committee meetings. It is to be noted that the transactions with other entities where CMD, MD and WTD and other directors are interested are carried out at an arm's length and in compliance with applicable law. There are no pecuniary transactions/ relationships of the Company with Non-Executive Directors except sitting fees and reimbursement of expenses for attending meetings.

Criteria of making payments to Non-Executive Directors

The Non-Executive / Independent Directors of the Company bring with them significant professional expertise and rich experience across the wide spectrum of functional areas such as administration, law enforcement, marketing, legal, finance and other corporate and management functions. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgement. They also oversee the corporate governance framework of the Company.

The Non-Executive and Independent Directors are paid sitting fees for attending Board and Committee meetings and Directors are allowed reimbursement of expenses for such attendance. The directors are also encouraged to attend conferences conducted by reputed institutions and expenses in relation to such attendance is borne by the Company. No other fee, remuneration, etc. is being paid to them. The details of sitting fees paid to Non-Executive and Independent Directors are tabulated in the below table – 2 and Form MGT-7 ('annual return') which is hosted on the website of the Company and can be accessed at https://vrlgroup.in/vrl_investors_desk.aspx?display=annual_return.

Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including CMD and MD is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and the Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective agreements entered into between them and the Company.

During the year, no stock options were granted to any executive / non-executive director of the Company. Also, the Company did not advance any loan to any of its Directors during the year.

Any annual pay, variable pay or incentives, if any, payable to Executive Directors is approved by the Board based on recommendation of the Nomination and Remuneration Committee.

Table 2 below gives the details of remuneration paid to Directors for the year ended March 31, 2025.

Table 2: Remuneration paid / payable to Directors

Name of the Director	Salaries, perquisites and allowances	Commission	Sitting fees	Total
Dr. Vijay Sankeshwar	324.00	136.00	-	460.00
Dr. Anand Sankeshwar	360.00	-	-	360.00
Mr. L R Bhat	180.04	-	-	180.04
Mr. Shiva A Sankeshwar	-	-	1.00	1.00
Mr. Shankarasa Ladwa	-	-	3.80	3.80
Mrs. Medha Pawar	-	-	3.40	3.40
Dr. Anand Pandurangi	-	-	1.40	1.40
Mr. Shantilal Jain	-	-	3.20	3.20
Mr. V A Patil	-	-	0.80	0.80
Mr. Vinay J Javali			1.60	1.60
Dr.(Mrs.) Shailaja Ambli	-	-	1.00	1.00
Dr. Raghottam Akamanchi	-	-	2.40	2.40
Dr. Ashok Shettar	-	-	1.40	1.40
Dr. D V Guruprasad*	-	-	-	-
Mr. Shankar V Ping*	-	-	-	-
Total	864.04	136.00	20.00	1020.04

* Mr. Shankar Vasantrao Ping* and Dr. D. V. Guruprasad were appointed as Independent Directors of the Company for a period of 5 years w.e.f. February 19, 2025 and no meetings were conducted from such date.

Service Contracts, Notice Period and Severance fees:

As on March 31, 2025, the Board comprised of twelve Directors including three Executive Directors, three Non-Executive Directors and six Independent Directors. The Company has entered into agreements with Dr. Vijay Sankeshwar, Chairman and Managing Director, Dr. Anand Sankeshwar, Managing Director and Mr. L. R. Bhat, Whole time Director which inter-alia stipulate a three months' notice period to vacate their respective office held. There is no provision for payment of severance fees. The other Non-Executive Directors and Independent Directors are not subject to any specific requirement of notice period and severance fees.

(I) Code of Conduct

The Board of Directors have laid down a Code of Conduct (Code), for the Directors and designated / specified employees of the Company. The code has been posted on the Company's website and can be accessed at the link given below. All the Board members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them which suitably incorporates the duties of Board Members, Independent Directors and Senior Management Personnel as laid down in the Act. The declaration to this effect signed by Dr. Vijay Sankeshwar, Chairman and Managing Director is annexed to this Report.

http://www.vrlgroup.in/investor_download/Code_of_Conduct.pdf

II) Board Committees

The Board has constituted various Committees to focus on specific areas and to make informed decisions within their authority. Each Committee is governed by its charter and has well defined terms of reference which outline the scope, role, responsibilities and powers of the Committee. All the decisions and recommendations of the Committee are placed before the Board for its approval. The various board committees are as under -

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Corporate Social Responsibility Committee;
- Risk Management Committee
- Administration Committee;
- Finance Committee;

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committees are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings are provided below.

(A) Audit Committee

The Audit Committee monitors and effectively supervises your Company's financial reporting process with a view to provide accurate, timely and proper disclosure and maintain the integrity and quality of financial reporting. The Audit Committee also reviews from time to time, the audit and internal control procedures, the accounting policies of your Company, oversight of your Company's financial reporting process to ensure that the financial statements are correct, sufficient and credible. The Committee also monitors the compliance of the Company with applicable laws.

The Audit Committee acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board.

As on March 31, 2025, the Audit Committee comprised of three Directors, viz Mr. Shantilal Jain (Chairman), Mr. Vinay J Javali and Mr. Shankar Vasantrao Pingre. All members of the Audit Committee are independent directors who cumulatively, possess accounting, audit, financial, taxation, management and legal knowledge. Post appointment of Mr. Shankar Vasantrao Pingre as an Independent Director w.e.f. February 19, 2025, he was nominated as a Member of Audit Committee at the board meeting held on February 05, 2025 to replace Mr. Shankarasa Ladwa.

The Senior Management team comprising of Executive Directors, Chief Financial Officer and Vice-President (Accounts), as also the Internal Auditors, the Secretarial Auditor and the Statutory Auditors were invited to the meetings of the Audit Committee. Mr. Aniruddha Phadnavis, Company Secretary & Compliance Officer is the Secretary to this Committee who was also present at all the meetings of the Committee.

The Audit Committee met five times during the year 2024-25, viz. May 20, 2024, August 5, 2024, November 13, 2024, November 23, 2024 and February 5, 2025. The maximum time gap between two consecutive meetings did not exceed one hundred and twenty days.

The minutes of the meetings of the Committee were noted by the Board. The Board accepted all recommendations made by the Audit Committee during the year. The details of the composition of the Committee, meetings held, attendance at the meetings along with sitting fees paid, are given in Table 3.

Table 3: Details of the Audit Committee

(₹ in lakhs unless otherwise stated)

Name of the Member	Category of Directorship	Position	Number of meetings held	Number of meetings attended	Sitting fees
Mr. Shankarasa Ladwa	Independent Director	Chairman [#]	5	5	1.00
Mr. Shantilal Jain ^{**}	Independent Director	Chairman ^{**}	5	5	1.00
Mrs. Medha Pawar ^{\$}	Independent Director	Member	5	4	0.80
Mr. Vinay J Javali	Independent Director	Member	5	1	0.20
Mr. Shankar Vasantrao Pingre	Independent Director	Member ^{**}	-	-	

retired w.e.f. February 18, 2025 upon completion of tenure as an Independent Director.

** Mr. Shantilal Jain was designated as Chairman of Audit Committee and Mr. Shankar Vasantrao Pingre was nominated as a Member of Audit Committee at the board meeting held on February 05, 2025.

\$ retired w.e.f. December 11, 2024 upon completion of tenure as an Independent Director.

Mr. Shankarasa Ladwa, Chairman of the Audit Committee was present at the 41st Annual General Meeting of the Company held on August 5, 2024, to address shareholders queries.

The terms of reference of the Audit Committee are in conformity with the requirements of Section 177(1) of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations and the Act. Powers of the Committee and its terms of reference are as under:

Powers of the Audit Committee

The Audit Committee has powers, which include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee of the Company.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of reference of the Audit Committee

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements/information are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payments to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement as part of Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates, based on the exercise of judgment by Management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions; and
 - g. qualifications/observations in the draft audit report
5. Reviewing, with the Management, the quarterly financial statements / financial results before submission to the Board for approval;
6. Reviewing, with the Management, the statement of usage / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up necessary steps in this matter;
7. Review and monitor the Statutory Auditor's independence and performance, and effectiveness of audit process;
8. Approval of transactions including any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the Management, performance of Statutory Auditors and Internal Auditors and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
14. Discussion with Internal Auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting such matters to the Board;

16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern;
17. To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, where applicable;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of the CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and / or advances from / investment by the Company, if any.
22. Consider, and comment on rationale, cost benefit analysis and evaluation of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholder.

Review of Information by the Audit Committee

1. Management Discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by the Management;
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors, if any;
4. Review of the Compliance Report in respect of related laws and regulations as applicable to the Company;
5. Internal audit reports relating to internal control weaknesses;
6. The appointment, removal and terms of remuneration of Internal Auditors; and
7. Statements of deviations, if any.

The Company's Internal Audit Department enables the Management to mitigate the risks and prevent non-compliance of laws which would affect the financial position of the Company. The scope and authority of the Internal Audit function is well defined and to maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee as well as directly to the Chairman and Managing Director of the Company. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the internal audit reports issued from time to time, the Management undertakes corrective actions in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee.

The Company continuously invests in strengthening its internal control and processes. The Internal Auditors attend the meetings of the Audit Committee and submit their recommendations to the Audit Committee which after due deliberations provide a road map for the future.

(B) Nomination and Remuneration Committee

In terms of section 178 of the Act and Regulation 19 of the SEBI Listing Regulations read with Part D of Schedule II to the SEBI Listing Regulations, the Board has constituted a Nomination and Remuneration Committee. Mr. Shantilal Jain, Independent Director is the Chairman of the Committee.

As on March 31, 2025, the Committee comprised of four Directors of which three are Independent Directors and one is a Non-Executive Director - Mr. Shantilal Jain (Chairman), Dr. (Mrs.) Shailaja Ambli, Dr. D V Guruprasad and Dr. Ashok Shettar. Mr. Aniruddha Phadnavis, Company Secretary acts as Secretary to the Committee.

Post appointment of Mr. Shantilal Jain as Independent Director at the 40th Annual General Meeting held on August 7, 2023, he was nominated as a Member of the Nomination and Remuneration Committee at the board meeting held on November 6, 2023 and was designated as the Chairman of Nomination and Remuneration Committee w.e.f. February 19, 2025 at the board meeting held on February 5, 2025 to replace Mr. Shankarasa Ladwa.

Mr. Shankarasa Ladwa, then the Chairman of the Nomination and Remuneration Committee was present at the 41st Annual General Meeting of the Company held on August 5, 2024, to address shareholder queries.

The Committee met two times during the financial year 2024-25 i.e. on May 20, 2024 and November 13, 2024. The details of the composition of the Committee, meetings held, attendance at the meeting along with sitting fees paid are given in Table 4.

Table 4: Details of the Nomination and Remuneration Committee

(₹ in lakhs unless otherwise stated)

Name of the Members	Category of Directorship	Position	Number of meetings held	Number of meetings attended	Sitting fees
Mr. Shankarasa Ladwa*	Independent Director	Chairman*	2	2	0.40
Dr. Anand Pandurangi*	Independent Director	Member	2	2	0.40
Dr. Ashok Shettar	Non-Executive Director	Member	2	2	0.40
Mrs. Medha Pawar**	Independent Director	Member	2	2	0.40
Mr. Shantilal Jain#	Independent Director	Chairman#	2	2	0.40
Dr. D V Guruprasad ##	Independent Director	Member	2	0	-
Dr. (Mrs.) Shailaja Ambli##	Independent Director	Member	2	0	-

Note: *Mr. Shankarasa Ladwa and Dr. Anand Pandurangi, Independent Directors of the Company retired on 18.02.2025 upon completion of tenure as Independent Directors

** Mrs. Medha Pawar, Independent Director of the Company retired on 11.12.2024

Mr. Shantilal Jain, Independent Director of the Company was nominated as member of the NRC Committee in its board meeting held on 06.11.2023 and appointed as Chairman of the NRC Committee w.e.f. 19.02.2025

##Dr.D V Guruprasad and Dr. (Mrs.) Shailaja Ambli, Independent Directors of the Company were nominated as member of NRC Committee in its board meeting held on 05.02.2025

In accordance with section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the role of the Nomination and Remuneration Committee of the Company is as under:

- to formulate criteria for determining qualifications, positive attributes and independence of Directors.
- Evaluate the balance of skills, knowledge and experience of the Independent Directors on the Board
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and individuals who may be appointed in Senior Management positions in accordance with the criteria laid down by the Committee.
- To carry out evaluation of every Director's performance.
- To recommend to the Board, the appointment and removal of Directors and Senior Management.
- To recommend to the Board, policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or as required under any statutory notification, amendment or modification, as may be applicable.
- To determine the extension or continuation of term of Independent Directors based on the report of their performance evaluation.
- To perform such other functions as may be necessary or appropriate for the performance of such duties.

The Committee also works with the Board on the Leadership Succession Plan and prepares Contingency Plans for succession in case of any exigencies.

Board evaluation and criteria for evaluation of performance of independent directors

Pursuant to Section 134 of the Act, the Board is responsible for an annual evaluation of its own performance as also the performance of its Committees & Individual Directors as also its Chairperson. Further, under Regulation 17 of the SEBI Listing Regulations, performance evaluation of the Independent Directors shall be done by the Board of Directors, excluding Directors being evaluated. During the year, Board, in concurrence with the Nomination and Remuneration Committee, has laid down the evaluation criteria for itself, its Committees, Chairperson, Executive and Non-Executive Directors and Independent Directors.

The evaluation was carried out through a structured questionnaire covering various aspects of the functioning of the Board and its committees. The Board in consultation with the Nomination and Remuneration Committee has laid down varying criteria to be adopted in the evaluation of different directors. Suitable mechanism also exists to ensure that the concerned individual is given due feedback to help him/her appreciate the aspects considered important by other co-directors.

The following parameters were considered to evaluate the performance of the independent Directors:

- Integrity, maintenance of high standard and confidentiality;
- Commitment and participation at the Board & Committee meetings;
- Effective deployment of knowledge and expertise;
- Exercise of independent judgment in the best interest of the Company;
- Interpersonal relationships with other directors and Management.

The following parameters were considered to evaluate the performance of the Board and Committees:

- Size and structure of the Board / Committees;
- Board diversity with respect to Background / experience / competence / gender / etc.
- Review of strategies, risk assessment, robustness of policies and procedures as also organizational culture by the Board;
- Review of the financial reporting process & monitoring Company's internal control system with a special focus on internal controls in relation to financial reporting;
- A review of the overall quality of Board meetings in terms of frequency, notice, agenda circulation, sufficiency of time for meaningful deliberations and quality of discussions;
- Review of flow of information to the Board members, Comprehensive coverage of matters in the agenda papers, conduct of meeting, etc.
- Effective discharge of functions by the Committee vis-a-vis their terms of reference;
- Appropriateness and timeliness of reports relating to compliance with laws and regulations as are applicable to the Company;
- Review of engagement with senior Management team by the Committees and the Board;
- Existence of a mechanism to address potential conflict of interest, appointment / retirement / grievance redressal and remuneration of Board members;
- Review of the time spent by the Board on policy and strategy issues and action plans.

The duly completed structured questionnaire was collected from the individual Directors. The feedback received on evaluation process was accumulated and there was an unanimous conclusion whereby the Directors recognized that the Board and its Committees were functioning effectively and acknowledged the efforts and contributions made by the Chairperson, Managing Director, Executive Directors, Non-Executive Directors and Independent Directors towards the Board's functioning.

The Board also acknowledged the efforts put in by the Executive, Non-executive and Independent Directors and on the basis of the above parameters concluded that its overall functioning as also the functioning of its committees is effective. Feedback on performance of individual directors was provided to them and the same was also accepted as satisfactory. The performance of the Chairperson was found to be very effective.

Nomination and Remuneration Policy

Remuneration paid / payable to Key Managerial Personnel (KMP) and Senior Managerial Personnel of the Company is approved by the Board on the recommendation of the Nomination and Remuneration Committee. The Board has adopted a policy for Nomination and Remuneration of Directors/ KMPs and Senior Managerial Personnel and the same can also be accessed at the following link:

http://www.vrlgroup.in/investor_download/ Nomination_Remuneration%20Policy.pdf

(C)Stakeholder's Relationship Committee

In terms of Regulation 20 of the SEBI Listing Regulations, the Stakeholders Relationship Committee is constituted to look into various aspects of interest of shareholders of the Company. As on March 31, 2025,

this Committee comprised of three Directors viz. Mr. Shankar Vasantrao Ping (Chairman), Mr. Shantilal Jain (Independent Director) and Dr. Raghottam Akamanchi (Non-Executive Director). Mr. Aniruddha Phadnavis, Company Secretary of the Company acts as Secretary to the Committee. Post appointment of Mr. Shankar Vasantrao Ping as an Independent Director w.e.f. February 19, 2025, he was nominated as a member of the Stakeholders Relationship Committee at the board meeting held on February 05, 2025.

This Committee met four times during the year 2024-25, viz May 20, 2024, August 5, 2024, November 13, 2024 and February 5, 2025.

Mr. Shankarasa Ladwa, the then Chairman of the Stakeholders Relationship Committee was present at the 41st Annual General Meeting of the Company held on August 05, 2024 to address shareholder queries.

The details of the composition of the Committee, meetings held, attendance at the meetings along with sitting fees paid, are given in Table 5.

Table 5: Details of the Stakeholders' Relationship Committee

(₹ in lakhs unless otherwise stated)

Name of the member	Category of Directorship	Position	Number of meetings held during their tenure	Number of meetings attended	Sitting fees
Mr. Shankar Vasantrao Ping#	Independent Director	Chairman	4	-	-
Mr. Shankarasa Ladwa	Independent Director	Chairman*	4	4	0.80
Mrs. Medha Pawar**	Independent Director	Member	4	3	0.60
Mr. Raghottam Akamanchi	Non-Executive Director	Member	4	4	0.80
Mr. Shantilal Jain#	Independent Director	Member	4	4	0.80

Note: *Mr. Shankarasa Ladwa, Independent Director of the Company retired on February 18, 2025 upon completion of tenure as an Independent Director.

** Mrs. Medha Pawar, Independent Director of the Company retired on December 11, 2024 upon completion of tenure as an Independent Director.

Mr. Shantilal Jain and Mr. Shankar Vasantrao Ping, Independent Directors of the Company were nominated as members of the Stakeholders Relationship Committee at the board meeting held on November 6, 2023 and February 5, 2025 respectively.

The terms of reference of the Committee are as follows:

1. To supervise and ensure efficient share transfers, share transmission, transposition, etc.;
2. To approve allotment, transfer, transmission, transposition, consolidation, split, name deletion and issue of duplicate share certificates for equity shares of the Company;
3. To redress shareholders' complaints/grievances like non-receipt of balance sheet, non-receipt of declared dividends, etc.;
4. To review service standards and investor service initiatives undertaken by the Company;
5. To place before the Board meeting, a quarterly report giving details such as number of complaints received, resolved, pending during the quarter;
6. To report immediately to the Board, specific grievance raised by the shareholders / investors which could not be resolved by the committee and which need immediate attention;
7. To address all matters pertaining to Registrar and Transfer Agent, including appointment of new Registrar and Transfer Agent in place of the existing agent;
8. To address all matters pertaining to Depositories for dematerialization of shares of the Company and other matters connected therewith;
9. To attend to any other responsibility as may be entrusted by the Board or investigate any activity within the terms of its reference.
10. Review of measures taken for effective exercise of voting rights by shareholders.
11. Oversee the statutory compliance relating to all securities including dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.

Details of Shareholders' complaints

Details of complaints received, resolved and pending as on March 31, 2025, are as under:

Table 5A – Details of Shareholders' complaints received, resolved and pending during the year 2024-25:

Pending as on April 1, 2024	Complaints Received during the year	Complaints Resolved during the year	Pending as on March 31, 2025
Nil	2	2	Nil

(D) Corporate Social Responsibility (CSR) Committee

In terms of section 135 of the Companies Act, 2013, The Corporate Social Responsibility (CSR) Committee is constituted and has formulated a Corporate Social Responsibility Policy, duly approved by the Board, indicating the activities to be undertaken within the purview of schedule VII of the Companies Act, 2013.

As on March 31, 2025, CSR Committee comprised of four directors with a combination of Executive Directors and Independent Directors viz. Dr. Vijay Sankeshwar (Chairman), Dr. Anand Sankeshwar, Mr. Vinay Javali and Mr. Virupaxagouda A Patil.

Terms of reference of the Committee are as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company within the ambit of Schedule VII of the Companies Act, 2013. This also includes a review of the said policy on periodic basis considering any changes on the regulatory front, as applicable from time to time.
- Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy and the treatment of short / excess spending in any financial year, as per the provisions of the Act and the Rules made thereunder.
- Monitor the CSR Policy of the Company and its implementation from time to time;
- Monitor the Annual Action Plan for the CSR activities of the Company from time to time.
- Review the need for Impact Assessment, if any, for the projects or programmes.
- Such other functions as the Board may deem fit.

During 2024-25, the Committee met 3 times i.e. on May 20, 2024, November 13, 2024 and February 5, 2025.

The details of the composition of the Committee, meeting held and attendance at the meeting along with sitting fees paid are given in Table 6.

Table 6: Details of the Corporate Social Responsibility Committee

(₹ in lakhs unless otherwise stated)

Name of the Members	Category	Position	Number of Meetings held during tenure	Number of Meetings attended	Sitting fees
Dr. Vijay Sankeshwar	Executive Director	Chairman	3	3	-
Dr. Anand Sankeshwar	Executive Director	Member	3	3	-
Dr. Raghottam Akamanchi*	Non-Executive Director	Member	3	3	0.60
Mrs. Medha Pawar**	Independent Director	Member	3	2	0.40
Mr. Vinay Javali #	Independent Director	Member	3	2	0.40
Mr. Virupaxagouda A Patil#	Independent Director	Member	-	-	-

Note:

** Mrs. Medha Pawar, Independent Director of the Company retired on December 11t, 2024 upon completion of her tenure as an Independent Director.
Mr. Vinay Javali and Mr. Virupaxagouda A Patil , Independent Directors of the Company were nominated as members of the CSR Committee w.e.f. May 20, 2024 and February 05, 2025 respectively.

* Dr. Raghottam Akamanchi ceased to be a member of CSR Committee upon its re-constitution.

More details on CSR spent by the Company are provided in the Annual report in the section on CSR activities, which forms part of Directors' Report.

CSR Policy of the Company can be accessed at the following link:

https://vrlgroup.in/investor_download/CSR%20POLICY.pdf

(E) Risk Management Committee

The Risk Management Committee is constituted in accordance with Regulation 21 of the SEBI Listing Regulations.

As on March 31, 2025, the said Committee comprises of five members including one Independent Director viz., Dr. Vijay Sankeshwar (Chairman), Mr. L R Bhat, Executive Director, Mr. D V Guruprasad, Independent Director, Mr. Sunil Nalavadi, Chief Financial Officer and Mr. Raghavendra Malgi, Vice President (Accounts).

Terms of reference of the Committee are as under:

- Identify and review the critical risk exposures of the Company and assess Management's actions to mitigate the exposures in a timely manner;
- Review the Company's risk appetite and tolerance limit;
- Review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
- Annually review the overall risk management framework with respect to risk assessment and management;
- To evaluate significant risk exposures including business continuity planning and disaster recovery planning to ensure a Business Continuity Plan ("BCP") is in place for the Company.
- Review and assess the effectiveness of the company-wide risk assessment processes and assess management's actions in mitigating the risk exposures in a timely manner.;
- To advise the Board on acceptable levels of risk appetite, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the Company's operations.
- To review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
- As and when required the Committee may assign tasks to the Internal Auditor, the Company's internal Risk management team, seek necessary information from any Employee and any external expert advisors considered necessary for any task and they will provide their findings to the Committee
- To perform such functions as may be delegated by the Board and/or are prescribed under Companies Act, 2013, SEBI Listing Regulations and any other applicable laws from time to time.

During 2024-25, the Committee met three times i.e. on May 20, 2024, November 13, 2024 and February 5, 2025. The time gap between two consecutive meetings was in compliance as prescribed.

The details of the composition of the Committee, meetings held and attendance at the meetings along with sitting fees paid are given in Table 7.

Table 7: Details of the Risk Management Committee

(₹ in lakhs unless otherwise stated)

Name of the Members	Category	Position	Number of Meetings held during tenure	Number of Meetings attended	Sitting fees
Dr. Vijay Sankeshwar	Executive Director	Chairman	3	3	-
Mr. L.R. Bhat	Executive Director	Member	3	3	-
Mr. Shankarasa Ladwa*	Independent Director	Member	3	3	0.60
Mrs. Medha Pawar**	Independent Director	Member	3	2	0.40
Mr. Sunil Nalavadi	Chief Financial Officer	Member	3	3	-
Mr. Raghavendra Malgi	Vice President (Accounts)	Member	3	3	-
Dr. D V Guruprasad#	Independent Director	Member	-	-	-

*Mr. Shankarasa Ladwa, Independent Director of the Company retired on February 18, 2025 upon completion of his tenure as an Independent Director.

**Mrs. Medha Pawar, Independent Director of the Company retired on December 11, 2024 upon completion of her tenure as an Independent Director.

Dr. D V Guruprasad, Independent Director of the Company was nominated as a member of Risk Management Committee in its board meeting held on February 05th, 2025

The policy on Risk Management of the Company can be accessed at the following link:
https://www.vrlgroup.in/investor_download/Risk%20Management%20Policy.pdf

(F) Administration Committee

The Administration Committee has been constituted by the Board to facilitate routine business transactions and dealings such as authorizing individuals to appear before court of law / tribunal, enter into lease / leave and license agreements and to do other things on behalf of the Company. The said committee comprises of three members viz. Dr. Vijay Sankeshwar, Chairman, Dr. Anand Sankeshwar, Managing Director and Dr. Raghottam Akamanchi, Non -Executive Director.

Functions of the Administration Committee/authority delegated by the Committee include the following:

A) Granting Authorization to Individuals:

1. To execute, for and on behalf of the Company, lease / leave and license agreements, applications, deeds, documents and any other writings in connection with the business of the Company;
2. To enter into any contract binding on the Company and on behalf of the Company;
3. To represent the Company before any Court, Tribunal, Consumer Redressal Forum or any Statutory or other Authority on any matter relating to the operations of the Company or with which the Company is in any way connected or concerned or to represent the Company generally or for any specific purpose or purposes;
4. To sign, submit all statutory forms, applications, declarations, notices, returns, statements, certificates and all such other documents as may be required by the appropriate authorities and to collect all statutory forms and papers from the appropriate authorities;
5. To receive summons, notices etc. and to sign, submit and verify various statements, applications, affidavits, declarations, undertakings, Forms, Returns and other requisite documents whatsoever and file them in any Court, Tribunal or any government authority;
6. To engage Advocates, Tax Practitioners and to sign Vakalatnamas;
7. To collect all types of statutory forms, any papers, cheques, drafts etc. from any person, bank or any State / Central Government Authority;
8. To apply for registration / license of / for the Company with/from various authorities of any state or Centre including but not limited to Municipal Authorities, Provident Fund Authorities, Pollution Control Board / Authorities, Labour Department, Land Revenue Department, Sales Tax authorities, Income Tax authorities, Shops and Establishment Act authorities, Customs and Central Excise authorities, the Director General of Civil Aviation and to do or perform all acts and deeds relating to such matters;
9. To apply, in the name of and for the Company for telephone, telex, fax and other telecommunication and electrical / electronic connections and to do all matters relating to such applications;
10. To Grant General / Special power of attorney or any other document which may be required under any law for time being in force to enter into any agreement, deed or document on behalf of the Company or to represent the Company before any government or other authority, if any;
11. To approve contracts or incur commitments of value not exceeding ₹ 1 crore on an annual basis, Consultancy assignments including foreign consultancy assignments not exceeding ₹ 1 crore annually each and Appointment of Agents for Consultancy Assignments involving sponsorship/ agency commission not exceeding ₹ 1 crore annually each;
12. To do all acts, deeds and things as the said committee deems fit and considers necessary by exercising the powers of the Board which the said committee may lawfully exercise by virtue of the powers hereinabove conferred, including the decisions by way of a circular resolution;

The Committee met twelve times during 2024-25. No sitting fee is payable for its meetings.

(G) Finance Committee

The Finance Committee has been constituted to deal with the following matters:

1. To avail non-fund based credit limits including Bank Guarantees from Banks upon such security as may be required by the Banks and agreed to by the Finance Committee and the aggregate amount of such non-fund based limits including Bank Guarantees shall not exceed ₹ 5 Crores.
2. To avail credit / financial facilities of any description from Banks / Financial Institutions / Bodies Corporate

(hereinafter referred to as 'Lenders') upon such security as may be required by the Lenders and agreed to by the said committee, provided however that, the aggregate amount of such credit/ financial facilities to be availed by the said Committee between any two consecutive Board meetings shall not exceed ₹ 300.00 Crores.

3. To hypothecate or create mortgage on assets offered as security in favour of the lenders and file requisite particulars of such charge in favour of the lenders with Registrar of Companies within the time prescribed under the applicable law.
4. To invest and deal with any monies of the Company upon such security (not being shares of the Company) or without security, in such manner as the said committee may deem fit, and from time to time to vary or realize such investments.
5. To make loans to individuals, to place deposits with other companies / firms upon such security or without security in such manner as the said committee may deem fit and from time to time vary / recover such loans / deposits, provided however, that the aggregate amount of such loans / deposits shall not at any time exceed 30% of the aggregate subscribed equity share capital and free reserves of the Company.
6. To open Current Account(s), Collection Account(s), Operation Account(s), or any other Account(s) with Banks and also to close such accounts, which said Committee may consider necessary and expedient and do such other acts incidental or connected therewith.
7. To do all acts, deeds and things as the said committee may deem fit and consider necessary by exercising the powers of the Board which said committee may lawfully exercise by virtue of the powers hereinabove conferred.

As on March 31, 2025, the committee comprises of three directors viz. Dr. Vijay Sankeshwar, Chairman, Dr. Anand Sankeshwar, Managing Director, and Dr. Raghottam Akamanchi, Non- Executive Director. The said committee met thirteen times during the year. No sitting fee is payable for its meetings.

III) INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on February 05, 2025 inter alia, to discuss:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting and expressed their satisfaction on the above matters.

The details of the attendance of the Independent Directors at the meeting are given in Table 9. No sitting fee was paid for the said meeting.

Table 9: Details of the Independent Directors' Meeting

Name of the members	Number of meetings held	Number of meetings attended
Dr. Anand Pandurangi	1	1
Mr. Shankarasa Ladwa	1	1
Mr. Shantilal Jain	1	1
Dr. (Mrs.) Shailaja Ambli	1	1
Mr. Virupaxagouda Patil	1	1
Mr. Vinay Javali	1	1

IV) Shareholder Information

(a) Disclosures regarding the Board of Directors

1. Pursuant to recommendation by the Nomination and Remuneration Committee and that of, the Board of Directors at their respective meetings held on November 13, 2024, the below mentioned resolutions were proposed and approved by the shareholders through a postal ballot which concluded on January 15, 2025:

SI. No.	Description
1.	Approval for payment of remuneration to Dr. Vijay Sankeshwar (DIN: 00217714), Chairman and Managing Director of the Company
2.	Appointment of Mr. Shankar Vasantrao Pingre as an Independent Director of the Company
3.	Appointment of Dr. D V Guruprasad as an Independent Director of the Company
2.	Dr. Ashok Shettar and Mr. Shiva A Sankeshwar are liable to retire by rotation under Section 152 of the Companies Act, 2013 and both have expressed their willingness to get re-appointed as Directors of the Company. The details of Directors' appointment / re-appointment, resignation and retirement are provided in the Directors' Report.
3.	Mr. Vinay Javali and Mr. Virupaxagouda A Patil were appointed as an Independent Directors of the Company w.e.f. April 1, 2024 in the Postal ballot dated December 14, 2023 which got concluded on January 18, 2024.
4.	Mrs. Medha Pawar retired as a Director in the Company upon the conclusion of her tenure as an independent director on December 11, 2024.
5.	Mr. Shankarasa Ladwa and Dr. Anand Pandurangi retired as an Independent Directors of the Company after completion of their respective tenure w.e.f. February 18, 2025, and
6.	Mr. Shankar Vasantrao Pingre and Dr. D V Guruprasad were appointed as an Independent Directors of the Company w.e.f. February 19, 2025, through Postal ballot.

There are six Independent Directors on the Board of the Company as on March 31, 2025. The Company has received declarations from all the Independent Directors stating that they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

(b) Means of Communication

In accordance with Regulation 46 of SEBI Listing Regulations, the Company has maintained a functional website at www.vrlgroup.in containing basic information about the Company viz., details of its business, financial information, important policies, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The contents of the said website are updated as and when warranted.

The quarterly, half-yearly and annual financial results, which are reviewed /audited by the statutory auditors of the Company, are filed with the BSE and the NSE ("the Stock Exchanges"), where the Company's equity shares are listed, after the approval of the Board, within the prescribed timelines. These results are usually published in Financial Express and Business Line, being national business dailies, and Vijayavani a Kannada vernacular newspaper. The results along with presentations made by the Company to Analysts/Investors are also filed with the Exchanges and hosted on the website of the Company.

Further, the Company disseminates to the Stock Exchanges, all mandatory information and price sensitive / such other information, which in its opinion, are material and / or have a bearing on its performance / operations and issues press releases, as applicable, for the information of the public at large.

For the benefit of the members, a separate email id has been created for member correspondence viz., investors@vrllogistics.com.

(c) General Body Meetings

The Company convenes the Annual General Meeting (AGM) generally during the month of August of every year

Details of last three Annual General Meetings are as under:

Financial year	Date and time	Special resolutions passed	Venue
2023-24	August 5, 2024, at 1.00 PM	No Special resolution was passed	Registered Office: RS No.351/1, Varur, Post Chabbi, Taluk Hubballi, District Dharwad, Hubballi – 581207

2022-23	August 07, 2023, at 12.30 PM	<p>a. Appointment of Mr. Shantilal Jain (DIN: 00571902) as an Independent Director of the Company for a period of five years.</p> <p>b. Approval for payment of remuneration payable to Dr. Anand Sankeshwar (DIN: 00217773) for the FY 2023-24.</p>	Registered Office: RS No.351/1, Varur, Post Chabbi, Taluk Hubballi, District Dharwad, Hubballi – 581207
2021-22	August 10, 2022, at 4:00 PM	<p>a. Re-appointment of Mr. L. R. Bhat (DIN: 01875068) as a whole time director of the Company</p> <p>b. Re-appointment of Mr. K. N. Umesh (DIN: 02602595) as a whole time director of the company</p> <p>c. Continuation of Dr. Prabhakar Kore (DIN: 00509836) as a non-executive independent Director on attaining the age of 75 years.</p>	Registered Office: RS No.351/1, Varur, Post Chabbi, Taluk Hubballi, District Dharwad, Hubballi – 581207

Postal Ballot

During the FY 2024-25, the approval of the shareholders was sought by way of postal ballot vide Notice dated December 11, 2024, in respect of the below mentioned items:

Sl. No.	Description
1.	Approval for payment of remuneration to Dr. Vijay Sankeshwar (DIN: 00217714), Chairman and Managing Director of the Company
2.	Appointment of Mr. Shankar Vasantrao Pingre as an Independent Director of the Company
3.	Appointment of Dr. D V Guruprasad as an Independent Director of the Company

Note: All the resolutions were passed with the requisite majority

The Company had provided its shareholders the facility to exercise their right to vote on the Postal Ballot as also through remote e-voting. The Company had engaged the services of KFin Technologies Ltd. to provide Remote e-voting facility.

Mr. Akshay Pachlag, Practising Company Secretary was appointed to act as the Scrutinizer for conducting the postal ballot and e-voting in a fair and transparent manner.

Procedure adopted for passing of resolution through Postal Ballot:

- i. The Board of Directors, vide Resolution dated November 13, 2024 had appointed Mr. Akshay Pachlag, Practising Company Secretary as the Scrutinizer.
- ii. The dispatch of the Postal Ballot Notice along with explanatory statement dated December 11, 2024 through e-mail as also physically was completed on December 14, 2024 along with forms and postage prepaid business envelopes to all the shareholders whose name(s) appeared on the Registers of Members / List of Beneficiaries as on December 11, 2024.
- iii. The voting under the Postal Ballot & remote e-voting was kept open from December 17, 2024, to January 15, 2025 (either physically or through electronic mode).
- iv. Particulars of Postal Ballot forms received from the Members using the electronic platform of KFin were entered in a register separately maintained for the purpose.
- v. The Postal Ballot forms were kept under the safe custody of the Scrutinizer in sealed and tamper-proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- vi. All Postal Ballot forms received by the Scrutinizer and votes casted through remote e-voting up to 5.00 p.m. on January 15, 2025 had been considered for his scrutiny. Postal Ballot forms received after the above mentioned date were not considered.
- vii. On January 15, 2025, Mr. Akshay Pachlag, Scrutinizer submitted the Scrutinizer's Report and Mr. Aniruddha Phadnavis, Company Secretary & Compliance Officer of the Company announced the results of the Postal Ballot Exercise.
- vi. All Postal Ballot forms received by the Scrutinizer and votes casted through remote e-voting up to 5.00 p.m. on January 18, 2024 had been considered for his scrutiny. Postal Ballot forms received after the above mentioned date were not considered.
- vii. On January 19, 2024, Mr. Akshay Pachlag, Scrutinizer submitted the Scrutinizer's Report and Mr. Aniruddha Phadnavis, Company Secretary & Compliance Officer of the Company announced the results of the Postal Ballot Exercise.

The details of the resolutions approved and assented through postal ballot/ remote e-voting are as follows:

1. Re-appointment of Dr. Anand Sankeshwar as a Managing Director of the Company w.e.f April 1, 2024 at a revised remuneration of ₹30 lakhs per month.
2. Appointment of Mr. Shiva Sankeshwar as a Non-Executive Director of the Company under section 153 of the Act.
3. Appointment of Dr.(Mrs.) Shailaja Ambli as an Independent Director of the Company.
4. Appointment of Mr. Virupaxagouda Patil as an Independent Director of the Company w.e.f. April 1, 2024.
5. Appointment of Mr. Vinay Javali as an Independent Director of the Company. w.e.f. April 1,2024.

Details of Voting Results

The summary of the votes cast (including e-votes) based on the report submitted by the Scrutinizer conducting the postal ballot were as under:

Sl. No.	Resolutions	Total Number of votes polled	No of Votes in favour	No of Votes against	% of votes in favour	% of votes against
1.	Approval for payment of remuneration to Dr. Vijay Sankeshwar (DIN: 00217714), Chairman & Managing Director of the Company	7,76,43,683	7,76,35,482	8201	99.99	0.01
2.	Appointment of Mr. Shankar Vasantrao Pingre (DIN: 10847936) as an Independent Director of the Company	7,76,43,683	7,76,42,790	893	99.99	0.01
3.	Appointment of Dr. D V Guruprasad (DIN: 01558266) as an Independent Director of the Company	7,76,43,683	7,76,42,854	829	99.99	0.01

Note: All of the above mentioned resolutions could garner the requisite votes.

(d) Changes in Senior Management

During the year, there were no changes to the Senior Management personnel except as under –

- Mr. Surendra Nayak, Senior Vice President based out of New Delhi resigned from the services of the Company.
- Mr. Praveen Singh, based out of Ahmedabad was promoted as Vice President and posted to Delhi.
- Mr. L S Ravi , Chennai was promoted as a Vice President
- Mr. Praveenkumar Bogar, Raipur was promoted as a Vice President and posted to Kolkata.
- Mr. Sandesh Deshpande, Pune was promoted as a Vice President

(e) General Shareholder Information

- Forthcoming Annual General Meeting

Date	August 6, 2025
Day	Wednesday
Time	1:00 PM
Venue	Registered office of the Company situated at RS. No. 351/1 Varur Post Chabbi Taluk Hubballi District Dharwad Hubballi – 581 207 (18th KM, NH-4, Bengaluru Road, Varur).

• Last date for Receipt of Proxies

August 4, 2025 (before 1.00 p.m. at the Registered Office of the Company)

- **Financial Year**

The financial year of the Company covers the period commencing from April 1 upto March 31 of the succeeding year.

The tentative dates of the Board Meetings for consideration of financial results for the year ending March 31, 2026, are as follows:

1st Quarter Results	August 6, 2025
2nd Quarter Results	November 10, 2025
3rd Quarter Results	February 09, 2026
4th Quarter & Annual Results	May 18, 2026

- **Dividend Payment date**

The Board has recommended final dividend at the rate of Rs. 10/- per equity share for the Financial Year 2024-25. The expected record date for the same is July 30, 2025 and payment of dividend would be done by August 30, 2025.

- **Listing**

The Equity Shares of the Company are listed on the following exchanges:

- **BSE Limited (BSE),**

Floor 25, P J Towers, Dalal Street, Mumbai 400 001

- **National Stock Exchange of India Limited (NSE),**

Exchange Plaza, Bandra – Kurla Complex, Bandra (East), Mumbai- 400 051

The Company has paid the annual listing fees for the year 2024-25 and 2025-26 to BSE and NSE.

- **Stock Codes**

ISIN (Equity Shares) in NSDL and CDSL	INE366I01010
BSE Code	539118
NSE Code	VRLLOG

- **Corporate Identification Number**

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L60210KA1983PLC005247.

Share Price Data: High/Low and Volume during each month of 2024-2025 at BSE and NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
Apr-24	579.45	540.05	7,48,20,647	582.60	541.70	1,36,22,17,417
May-24	607.65	537.65	10,32,92,315	603.00	537.60	1,17,25,70,138
Jun-24	616.70	515.00	93,94,17,441	617.85	511.25	1,85,70,08,035
Jul-24	602.95	547.75	9,37,23,343	603.00	545.05	1,45,71,67,577
Aug-24	583.95	511.75	23,33,28,611	583.80	511.30	2,17,51,98,071
Sep-24	625.00	526.90	29,77,68,257	625.00	527.05	4,43,96,96,064
Oct-24	603.65	514.5	4,89,84,281	603.70	515.50	74,62,19,635
Nov-24	580.00	494.50	4,31,54,887	575.90	494.30	75,60,95,405
Dec-24	584.90	496.00	6,20,87,810	584.40	495.00	1,02,76,78,038
Jan-25	527.95	432.45	5,27,07,153	528.15	433.20	79,85,59,414
Feb-25	559.50	445.70	15,12,16,921	560.10	445.00	3,44,91,90,218
Mar-25	509.95	432.90	5,24,25,789	500.00	433.65	63,67,93,009

- Performance comparison to broad based indices i.e. BSE Sensex and NSE Nifty

Chart A: VRL vs. S & P BSE SENSEX

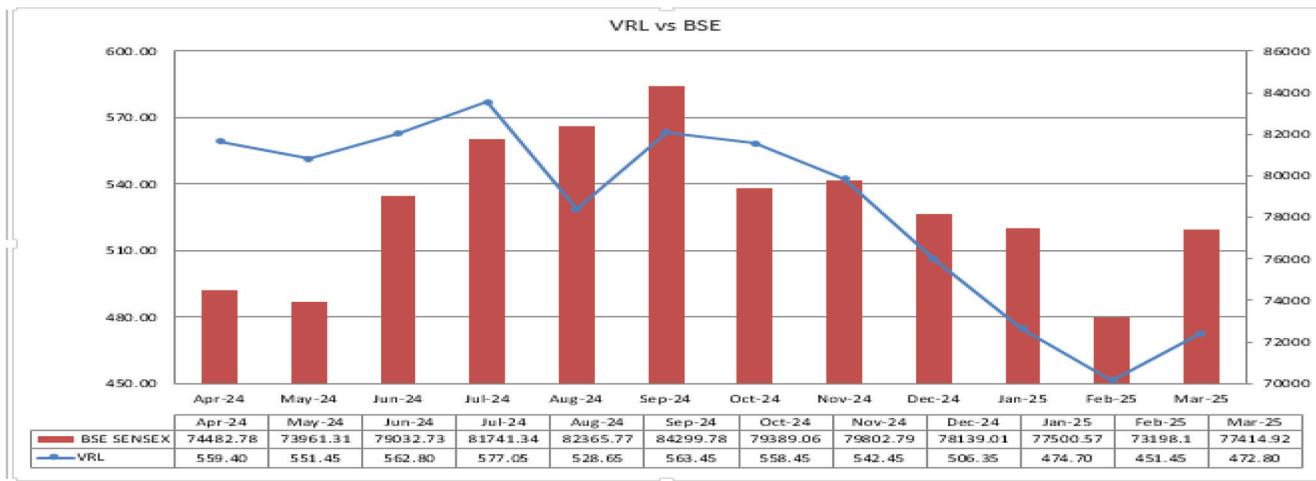
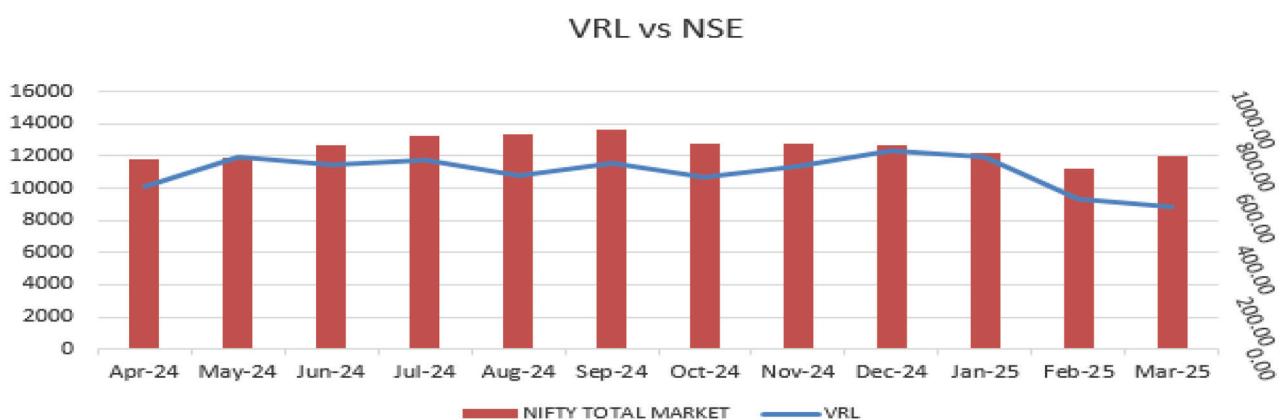


Chart B: VRL vs. Nifty Total Market



Distribution of shareholding as on March 31, 2025

SL No	Distribution range of shareholding	Number of Shareholders	Number of Shareholders (%)	Total Shares	Total Amount	Total Amount (%)
1	1-5000	63,991	95.70	44,78,390	4,47,83,900	5.12
2	5001- 10000	1,700	2.54	12,19,185	1,21,91,850	1.39
3	10001- 20000	652	0.98	9,14,728	91,47,280	1.05
4	20001- 30000	182	0.27	4,59,450	45,94,500	0.52
5	30001- 40000	74	0.11	2,63,455	26,34,550	0.30
6	40001- 50000	60	0.090	2,72,997	27,29,970	0.31
7	50001- 100000	79	0.12	5,56,337	55,63,370	0.64
8	100001& Above	128	0.19	7,93,03,953	79,30,39,530	90.67
		66,866	100.00	8,74,68,495	87,46,84,950	100.00

- **Shareholding Pattern as on March 31, 2025**

SL	Description	As on March 31, 2025		As on March 31, 2024	
		Total Shares	% Equity	Total Shares	% Equity
1	Promoters	5,26,90,971	60.24	5,26,90,441	60.24
2	Mutual Funds	2,11,48,612	24.18	2,20,57,283	25.22
3	Resident Individuals	80,76,669	9.24	75,49,519	8.63
4	Foreign Portfolio - Corp	31,61,143	3.61	28,59,272	3.27
5	Alternative Investment Fund	10,08,237	1.15	11,08,002	1.27
6	Bodies Corporates	6,25,636	0.72	4,86,315	0.56
7	Non Resident Indians	3,04,820	0.35	2,57,827	0.29
8	HUF	2,63,632	0.30	2,51,363	0.29
9	Non Resident Indians Non Repatriable	1,81,681	0.21	1,34,775	0.15
10	Qualified Institutional Buyer	-	-	67,026	0.08
11	Trusts	2,519	0.00*	3,270	0.00*
12	Clearing Members	1,073	0.00*	1,900	0.00*
13	I E P F	1,502	0.00*	1,502	0.00*
14	NBFC	2,000	0.00*	-	-
	Total:	8,74,68,495	100.00	8,74,68,495	100.00

*% Less than 0.01%

- **Share Transfer System**

All the shares of the company are in dematerialised mode.

Members may take note that SEBI, vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in demat form only.

SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

There are no shares in "Demat Suspense Account" or "Unclaimed Suspense Account" as on March 31, 2025.

- **Dematerialization of Shares and Liquidity**

As on March 31, 2025, the entire paid up capital comprising of 8,74,68,495 equity shares of the Company are held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number (ISIN) allotted to the shares under the Depository System is INE366I01010.

The break-up of equity shares as on March 31, 2025, is given below:

Category	Number of shareholders	Total shares	Percentage
N S D L	28,354	3,09,56,146	35.39
C D S L	38,512	5,65,12,349	64.61
Total	66,866	8,74,68,495	100.00

The Promoters hold their entire equity shareholding in the Company in dematerialized form.

- **Outstanding Instruments**

There are no outstanding Global Depository Receipts / American Depository Receipts / warrants / any convertible instruments

- **Credit Rating:**

ICRA Limited has revised the Fund based Long term and Cash Credit rating of the Company to [ICRA] A+ Stable from [ICRA] A+ Positive.

As indicated by ICRA, the revision in the outlook to Stable from Positive for VRL Logistics Limited (VRL) factors in the likely moderation in VRL's debt protection metrics against ICRA's expectations, amid debt-funded capex plans in FY2025. The company's earnings profile in the quarters close to rating were affected by stable freight rates and persistent inflationary scenario. While the company has recently hiked the freight rates, a sustained expansion in the operating margins remains to be seen. The Stable outlook reflects ICRA's opinion that VRL's credit profile will remain healthy and be supported by its established position in the market, and a strong customer base, which would improve its earnings and cash flows amid a strong business profile. Strengthening of its fleet, and expansion of the branch network and expected return from the same are likely to be visible going ahead.

- **Commodity price risk or foreign exchange risk and hedging activities:**

The Company had no material foreign exchange transactions during the year and hence the Company has not opted for hedging. Details of foreign currency exposure are disclosed in notes to the financial statements. As such no disclosure is warranted in terms of SEBI circular SEBI/HO/ CFD/CMD1/ CIR/P/2018/ 0000000141 dated November 15, 2018.

- **Registrars and Share Transfer Agents:**

KFin Technologies Limited

(Unit: VRL Logistics Limited)

Tower B, Plot No. 31 & 32, Selenium Building Gachibowli, Financial District,

Nanakramguda, Hyderabad – 500 032

Telephone: +91-40-23312454, Fax: +91-40-23311968

Email: einward.ris@kfintech.com

Website: www.kfintech.com

- **Plant Locations:**

Registered Office:

RS No. 351/1,

Varur Post Chabbi Taluk Hubballi,

District Dharwad, Hubballi– 581207

Karnataka, India

Corporate Office:

Giriraj Annexe, Circuit House Road

Hubballi – 580 029

Karnataka, India

- **Address for Members' Correspondence**

Members are requested to correspond with the Registrars and Share Transfer Agents at the address given above for all matters relating to transfer/ dematerialisation of shares, payment of dividend and any other query relating to Equity Shares of the Company.

The Company has maintained an exclusive email id: investors@vrllogistics.com, which is designated for investor correspondence for the purpose of registering any investor related complaints and the same has been displayed on the Company's website: www.vrlgroup.in

Members are required to note that, in respect of shares held in dematerialized form, they will have to correspond with their respective Depository Participants (DPs) for related matters.

Members may contact the Compliance Officer and/ or the Investor Relation Officer at the following address:

Compliance Officer:

Mr. Aniruddha Phadnavis

Company Secretary & Compliance Officer

Corporate Office: Giriraj Annexe

Circuit House Road

Hubballi – 580 029 Karnataka

Email: investors@vrllogistics.com

Phone: 0836 2237511

Investor Relations officer (Financial disclosure and Investor relations correspondence)

Mr. Sunil Nalavadi – Chief Financial Officer

Tel: 0836 2237511

E-mail id: cfo@vrllogistics.com

V) Auditor's Certificate on Corporate Governance Compliance

The Company has obtained a Certificate from its Statutory Auditors regarding compliance of the conditions of Corporate Governance, as stipulated in Regulation 34(3) and PART C of Schedule V of SEBI Listing Regulations and the same forms part of this report.

VI) Statement of unclaimed share application money and dividend as on March 31, 2024

Pursuant to Section 125 of the Companies Act, 2013, the amount of unpaid/unclaimed dividend due for refund would be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government on expiration of seven years from the date they become due for payment. The following table depicts the total amount remaining in the unclaimed dividend and the due date of transfer of said amount to IEPF account.

Year	Date	Particulars	Dividend amount per share (in ₹)	Amount unclaimed as on 31 March, 2023 (₹)	Last date for claim	Due date to transfer unclaimed amount to IEPF
2018-19	03 November 2018	Interim Dividend	3.50	1,39,769	8 December 2025	7 January 2026
2018-19	10 August 2019	Final Dividend	2.00	94,832	14 September, 2026	14 October 2026
2019-20	09 November 2019	Interim Dividend	4.00	1,35,856	14 December 2026	13 January 2027
2019-20	08 February 2020	Second Interim Dividend	3.00	1,35,090	15 March 2027	14 April 2027
2020-21	07 August 2021	Final Dividend	4.00	1,62,117	11 September 2028	11 October 2028
2021-22	02 February 2022	Interim Dividend	8.00	2,33,461	09 March 2029	08 April 2029
2022-23	07 August 2023	Final Dividend	5.00	90,155	12 September 2030	11 October 2030
2024-25	13 November 2024	Interim Dividend	5.00	83,220	19 December 2031	18 January 2032

VII) Management
Management Discussion and Analysis

Management Discussion and Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

Business Responsibility & Sustainability Report

Business Responsibility & Sustainability Report is given in a separate section forming part of this Annual Report.

Affirmations and Disclosures
a) Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under the SEBI Listing Regulations.

b) Related Party Transactions

Details of related party transactions are presented as part of the Notes to the Financial Statements. All details on the financial and commercial transactions, where Directors may have a potential interest, are analysed by the Audit Committee and put up to the Board. The interested directors neither participate in the discussions nor vote on such matters.

No other material significant related party transactions have been entered into by the Company in terms of

section 188 of the Companies Act, 2013 and regulation 23 of SEBI (LODR) Regulations, 2015. All transactions entered into with the related parties as defined under Companies Act, 2013 during the year were on an arm's length basis and did not attract provisions of Section 188 of Companies Act, 2013, relating to approval of shareholders. Omnibus approval of the Audit Committee was obtained for all such transactions which are repetitive and normal in nature. All transactions with related parties were entered into with prior approval of Audit Committee as well as the Board and reviewed by the Audit Committee once transacted. Further, disclosures on such transactions are made to the Audit Committee and the Board on a quarterly basis.

Disclosures relating to related party transactions are filed with the stock exchanges on a half-yearly basis. During FY 2024-25, there were no materially significant related party transactions that may have potential conflict with the interest of the Company.

A statement containing disclosure of transactions with related parties as required under Indian Accounting Standard 24 (Ind AS 24) including transaction with promoter/promoter group are set out separately in this Annual Report.

The Company has adopted a Related Party Transactions Policy which is available on the website of the Company i.e. http://www.vrlgroup.in/investor_download/RPT%20Policy.pdf

c) Non-compliance, penalties, strictures imposed on the Company

There were no instances of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the financial year.

d) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee

The Company has implemented a vigil mechanism policy to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The policy provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

During the year, none of such personnel have been denied access to the audit committee. The whistle blower policy of the Company can be accessed through the following link. https://vrlgroup.in/investor_download/vigil_Mechanism.pdf

e) Accounting treatment in preparation of financial statements

The Company has followed the Indian Accounting Standards notified under Section 133 of the Act read with Companies (Indian Accounting Standards (Ind AS) Rules, 2015, in preparation of its financial statements.

f) Risk Management

The Company has established a robust risk management framework. Under this framework, risks are identified across all business processes of the Company on continuous basis. Once identified, these risks are systematically categorized as strategic risks, business risks or reporting risks.

To address these risks in a comprehensive manner, each risk is mapped to the concerned department for further action. Based on this framework, the Company has set in place various robust procedures for risk management. The same is reviewed and monitored by the Risk Management Committee as also the Audit Committee of the Board on a periodic basis.

Risk management policy adopted by the Company can be accessed at the below link on the website of the Company:

https://vrlgroup.in/investor_download/Risk%20Management%20Policy.pdf

g) Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by insiders

The Company has adopted the policy on prevention of Insider Trading practice in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The said code governs the trading by insiders of the Company.

The objective of this Code is to prevent purchase and / or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Directors and designated employees are completely prohibited from dealing in the Company's shares when the Trading Window is closed. Further, the Code specifies the procedures to be followed and disclosures to be made by Directors and the designated / specified employees, while dealing with the shares of the Company and enlists the consequences of any

violations. Mr. Aniruddha Phadnavis, Company Secretary, has been designated as the Compliance Officer for this Code. The Company also, by frequent communication, makes aware the designated employees of their obligations under the SEBI PIT Regulations.

The Audit Committee and the Board at its meeting held on 05th February 2025 had reviewed the compliance in terms Regulation 9A(4) of SEBI PIT Regulations and confirmed that the systems for internal control with respect to Insider Trading Regulations are adequate and are operating effectively.

The said code has been hosted on the Company's website and can be accessed through the following link:
https://vrlgroup.in/vrl_investor_desk.aspx?display=policies

h) Certification

As required under Regulation 17(8) of the SEBI Listing Regulations read with Part B of Schedule II, the Chairman and Managing Director and the Chief Financial Officer of the Company have certified to the Board, the Financial Statements for the year ended March 31, 2025 and their certificate is annexed to this report.

i) Pledge of Equity Shares

No pledge has been created over the equity shares held by either Promoters and / or Promoter Group Shareholders as on March 31, 2025.

(j) The Corporate Governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted

The Company fulfils the following discretionary requirements pursuant to Regulation 27(1) of the SEBI Listing Regulations read with Part E of Schedule II.

- The Company is in the regime of un-qualified financial statements.
- The Internal Auditors report directly to the Audit Committee.

k) Details of compliances with mandatory requirements of corporate governance and adoption of non-mandatory requirements

All mandatory requirements of corporate governance have been complied with. Details of compliance with non-mandatory requirements or discretionary requirements as required under Part E of Schedule II are provided under point (j) above.

l) Compliance with Secretarial Standards

The Institute of Company Secretaries of India issued Secretarial Standards for Board and General Meetings in exercise of powers under Section 118 of the Act. The Company complies with all requirements of said Secretarial Standards.

m) Subsidiary/ Associate /Joint Venture companies

The Company does not have any subsidiary, Associate, Joint Venture Companies.

n) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year under review, the Company has not raised any amount through preferential allotment or qualified institutional placement.

o) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The Company has obtained a Certificate pursuant to the Regulation 34(3) read with Schedule V of the Listing Regulations, from a Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies either by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other Statutory Authorities. The said certificate forms part of this report

p) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:

Not Applicable

- q) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details of remuneration paid to Auditors of the Company are provided below:

SI.No.	Particulars	Amount (₹ In Lakhs)
1.	Audit Fees (Inclusive of GST)	82.60
2.	Certification work	NIL
3.	Reimbursement of Expenses	NIL
Total		82.60

- r) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The details relating to the same are provided in the Board's report.

- s) Disclosure of certain types of agreements binding listed entities**

The company or promoters have not entered into any agreements covered under Clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations.

VIII) Investor safeguards and other information:

- Dematerialization of Shares**

There were no physical shares held by the shareholders of the Company as on 31 March 2025. All the shares are in dematerialised form.

- Revalidation of Dividend Warrants**

In respect of members who have either not opted for NECS / ECS mandate or do not have such a facility with their bankers and who have not encashed earlier dividends paid by the Company, are requested to write to the Company's Share Transfer Agents for revalidation of expired dividend warrants and failing their encashment for a period of seven years, they stand to lose the right to claim such dividend from the Company owing to transfer of unclaimed dividends beyond seven years to Investor Education and Protection Fund, as detailed under point no. VI above.

- Update Address/ E-Mail Address/Bank Details**

To receive all communications/update on corporate actions promptly, members holding shares in dematerialized form are requested to please update their address / e-mail address / bank details with the respective Depository Participants and in case of physical shares, the updated details have to be intimated to the Registrar and Share Transfer Agents.

- Electronic Service of Documents to Members at the Registered Email Address**

As a responsible corporate citizen, your Company is supportive of the "Green Initiatives" taken by the Ministry of Corporate Affairs, Government of India (MCA) and Securities and Exchange Board of India (SEBI). Accordingly, in respect of Members who have registered their email addresses, the Company will be dispatching all documents vide electronic form.

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the companies may give Notice of the General Meetings through electronic mode. Further, the said Rule provides that advance opportunity should be given at least once in a financial year to the Members for registering their email address and changes therein, as may be applicable. Further, Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such members whose shareholding is in dematerialized form and whose email IDs are registered with the Depository for communication purposes. As regards members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving such documents by electronic mode.

In view of the above, the Company shall send all documents like General Meeting Notices (including AGM notices), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars and

Share Transfer Agents (RTA) (hereinafter “registered email address”) and made available to us, which would be deemed to be the member’s registered email address for serving the aforesaid documents. To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/updated from time to time. We wish to reiterate that Members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and members holding shares in physical form have to write to our RTA, KFin Technologies Limited at their specified address, so as to update their registered email address from time to time.

Please note that the Annual Report of the Company will also be available on the Company’s website www.vrlgroup.in for ready reference. Members are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, in physical form, upon receipt of requisition from the member, anytime, as a member of the Company.

- **E-Voting Facility to members**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 42nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by KFin Technologies Limited.

- **Register Nomination(s)**

Members holding equity shares of the Company, are requested to register the name of their nominee(s), who shall succeed the member as the beneficiary of their shares and in order to avail this nomination facility, Members holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

- **Dealings of Securities with Registered Intermediaries**

In respect of dealings in securities, members must ensure that they deal only with SEBI registered intermediaries and must obtain a valid contract note/ confirmation memo from the broker/sub-broker within 24 hours of execution of the trade(s) and it should be ensured that the contract note/confirmation memo contains details about order no., trade no., trade time, quantity, price and brokerage. In case the intermediary does not act professionally, Members can take up the matter with SEBI.

Dr. Vijay Sankeshwar
Chairman & Managing Director
(DIN: 00217714)
Place: Hubballi
Date: May 21, 2025

Dr. Anand Sankeshwar
Managing Director
(DIN: 00217773)
Place: Hubballi
Date: May 21, 2025

COMPLIANCE CERTIFICATE**(Ref: Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)****May 21, 2025**

To,
The Board of Directors
VRL Logistics Limited
Corporate Office,
Giriraj Annexe, Circuit House Road
Hubballi - 580 029

We, Dr. Vijay Sankeshwar, Chairman and Managing Director and Sunil Nalavadi, Chief Financial Officer of the Company hereby certify that:

- A. We have reviewed the financial results and cash flow statement for the year ended March 31, 2025 and that to the best of our knowledge and belief:
 1. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- B. We, to the best of our knowledge and belief, no transactions entered into by the Company during the periods which are fraudulent, illegal or violative of the company's code of conduct;
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken to rectify these deficiencies;
- D. We have indicated to the Auditors and Audit Committee that there are no:
 1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements;
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any of the management or any employee having a significant role in the Company's internal control system over financial reporting.

DR. VIJAY SANKESHWAR
Chairman and Managing Director
DIN: 00217714

SUNIL NALAVADI
Chief Financial Officer



CODE OF CONDUCT DECLARATION

DECLARATION REGARDING COMPLIANCE BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To
The Members of VRL Logistics Limited

Pursuant to Regulations 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, I hereby declare that the Company has obtained affirmative Compliance with the **“Code of Conduct from all the Board members and Senior Management Personnel”** of the Company for the financial year ended March 31, 2025.

DR. VIJAY SANKESHWAR
CHAIRMAN AND MANAGING DIRECTOR
(DIN: 00217714)

Place: Hubballi
Date: May 21, 2025

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To
The Members of
VRL Logistics Limited
Rs No.351/1, Varur Post Chabbi Taluk Hubli
Dist. Dharwad Hubli 581207

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s VRL Logistics Limited having CIN:L60210KA1983PLC005247 and having its Registered office at RS No.351/1, Varur, Post Chabbi, Taluk Hubballi, District Dharwad, Hubballi – 581 207, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For A S Pachlag and Co.,
Company Secretaries**

**Akshay S Pachlag
M. No.30741, CP: 11710
P. R. No. 1377/2021
UDIN:A030741F000319832**

**Date: May 08, 2025
Place: Hubballi**

**Independent Auditor's Certificate on compliance with the Corporate Governance requirements under
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

The Members of

VRL Logistics Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated August 28, 2020.
2. We have examined the compliance of conditions of Corporate Governance by VRL Logistics Limited (the 'Company') for the year ended March 31, 2025, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility also includes the designing, implementing and maintaining operating effectiveness of internal controls and procedures to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in paragraph 2 above.
5. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes, issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics, issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Listing Regulations, during the year ended March 31, 2025.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

9. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirements of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Regn. No.: 104607W / W100166

Cyrus Aspi Nariman
Partner
M. No.: 102643
UDIN:25102643BMKWYX7267

Place : Hubballi
Date: May 21, 2025.



KALYANIWALLA & MISTRY LLP

Chartered Accountants

Esplanade House, 29, Hazarimal Somani

Marg, Fort, Mumbai 400 001.

Maharashtra

Independent Auditor's Report

To

THE MEMBERS OF

VRL LOGISTICS LIMITED

Report on the Audit of the Ind-AS Financial Statements

Opinion

We have audited the accompanying Ind-AS Financial Statements of **VRL LOGISTICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the Ind-AS Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Ind-AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS Financial Statements give the information required by the Companies Act, 2013, ("the Act"), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind-AS") and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind-AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind-AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the *Code of Ethics*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind-AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind-AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key audit matter description	How the scope of our audit addressed the key audit matter
1.	<p>Revenue recognition and measurement</p> <p>Refer to Note 1(l) (Accounting policies) and Note 24 of the Ind-AS Financial Statements for aggregate revenue from sale of products and services recognised as required by the applicable Ind-AS. For the year ended March 31, 2025, the Company recognised revenues aggregating to ₹3,16,094.80 lakhs.</p> <p>The Company has high volume of transactions each day recorded across various branches and agencies using complex information technology systems which are linked to the financial reporting process. A high number of sale transactions in the goods transport business are settled in cash. Further, Standards on Auditing mandate a presumed significant risk of fraud in revenue recognition.</p> <p>Risk identified:</p> <p>Due to the Company's Revenue cycle being material to the Ind-AS Financial Statements, complexities involved including high inherent risk associated with cash transactions and information technology systems relied on, this matter has been identified as a key audit matter for the current year's audit.</p>	<p>Our procedures included:</p> <p>Accounting policies: Assessing the Company's revenue recognition accounting policy, by comparing the same with Ind AS 115 - Revenue from Contracts with Customers</p> <p>Tests of controls: Understanding and evaluating the design and implementation of the key controls around the revenue recognition process including controls around evidence of service delivery, price approvals, cash collection, system interface and timing of transactions including cut off.</p> <p>Tested operating effectiveness of above identified key controls over the recognition and measurement of revenue during the year and as at year end.</p> <p>Tests of details:</p> <ul style="list-style-type: none"> - Perused the internal audit reports for any observations reported based on such internal audits conducted at branches during the year to evaluate if any such observations materially impact the Ind-AS Financial Statements or impact our assessment of relevant key internal financial controls tested as above or otherwise materially impacts recognition and measurement of revenue. - Performed test of details on a sample of revenue transactions recorded during the year including specific periods before and after year end. For the samples selected, inspected supporting documents such as invoices, contracts, goods consignment notes, evidence of delivery of service, cash receipt, etc. - On a sample basis, we compared the daily cash collection with the bank deposit reconciliation prepared by each branch and agency and submitted to Head office periodically by tracing the same to relevant bank statements. - Tested the appropriateness and rationale for specific manual journal entries impacting recognition and measurement of revenue, as well as other adjustments made in the preparation of the Ind-AS Financial Statements, selected through a combination of risk-based and high-value transactions selection criteria. - Reviewed the recoverability of trade receivables, our procedures included an assessment of whether provision against or write-off of the trade receivables impacted our view as to the initial recognition of the related revenue. - We have relied on the reports generated from the entity's information systems, as the underlying systems and controls were validated by our IT specialist during the audit, who have confirmed the accuracy and completeness of these reports.

Sr. no.	Key audit matter description	How the scope of our audit addressed the key audit matter
		<p>Performing substantive analytical procedures: Performed substantive analytical procedures like tonnage growth, price yield growth, etc. We also evaluated the appropriateness and adequacy of the related disclosures made in the Ind-AS Financial Statements for revenue recorded during the year. We also assessed as to whether the disclosures in respect of revenue were adequate.</p>
2.	<p>Lease Accounting – Ind AS 116</p> <p>Refer to Note 1(e) (Accounting policies) and Note 42 of the accompanying Ind-AS Financial Statements.</p> <p>The Company has a high volume of lease contracts owing to the nature of its operations which are spread across India. The application of Ind-AS 116 involves use of significant judgements and estimates including determination of leases, lease term including termination and renewal option, use of practical expedients, and discount rates for each lease etc.</p> <p>Risk identified: Owing to the inherent subjectivity related to principal assumptions such as discount rates, we have identified the application of Ind-AS 116 as a key audit matter for the current year audit.</p>	<p>Our procedures included:</p> <p>Accounting policies: Assessing the Company's lease accounting policy, by comparing the same with Ind AS 116 - Leases</p> <p>Tests of controls: Obtained an understanding of the Management's process for identification of leasing arrangements which are considered to be within the scope of Ind-AS 116, Leases, and tested the design and effectiveness of Management's controls relating to identification and accounting of lease contracts and disclosures.</p> <p>Tests of details:</p> <ul style="list-style-type: none"> - Reviewed the overall impact analysis prepared by the Management including completeness of lease contracts, lease term and application of practical expedients. - Tested the reasonableness of key assumptions used including discount rate, lease terms and measurement principles. - Tested the inputs and calculations of the right-of-use assets and lease liability, prepared by the Management for each material lease contract. - Verified the integrity and arithmetical accuracy of Ind-AS 116 calculations for each sample, through recalculation of the Ind-AS 116 adjustments. <p>We also evaluated the appropriateness and adequacy of disclosures made in the Ind-AS Financial Statements with respect to lease liability and right of use assets recorded during the year, in accordance with Ind-AS 116.</p>

Information Other than the Ind-AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance but does not include the Ind-AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind-AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind-AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind-AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind-AS Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind-AS Financial Statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind-AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind-AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind-AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind-AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind-AS Financial Statements, including the disclosures, and whether the Ind-AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind-AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the Ind-AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind-AS

Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind-AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (*including Other Comprehensive Income*), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind-AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the Directors of the Company as on March 31, 2025, taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2025, from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to Ind-AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, ("the Rules") in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind-AS Financial Statements – Refer Note 36 to the Ind-AS Financial Statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2025.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025
 - iv) The Management has represented that
 - a) to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entity(ies) ("Intermediaries"),

with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) to the best of their knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) of the Rules as provided under (a) and (b) above contain any material misstatement.

- v) As per information and explanation represented by Management and based on the records of the Company, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the shareholders at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act.

- vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- 3) In our opinion and according to information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.

For KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

Firm Reg. No.: 104607W / W100166

Cyrus A. Nariman

Partner

Membership No.: 102643

UDIN: 25102643DMKWYW5791

Hubballi: May 21, 2025

Annexure A to the Independent Auditor's Report

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Ind-AS Financial Statements for the year ended March 31, 2025:

Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020:

- i) In respect of Company's Property Plant and Equipment, Right-of-use assets and Intangible assets
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of physical verification of Property, Plant and Equipment and Right-of-use assets at periodic intervals to cover all Property, Plant and Equipment and Right-of-use assets are verified during the year. In our opinion, this periodicity of physical verification is commensurate with the size of the Company and the nature of its assets. The Company has physically verified Property, Plant and Equipment and Right-of-use assets of the Company in accordance with the above policy. According to information and explanations given to us and on the basis of the records of the Company examined by us, no material discrepancies were noticed during such verification.
 - c) According to the information and explanations given to us and on the basis of the records of the Company examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee), are held in the name of the Company except in the case of 14 leases (having a Net Carrying Value of ₹ 523.71 lakh as at March 31, 2025) where Right-of-Use (ROU) asset has been recognised, for which the lease agreements have expired. The Management in the process of renewing the lease agreements. Refer Note 2(a) of the Ind-AS Financial Statement.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) According to the information and explanations given to us, representation obtained from Management and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii) Inventory:
 - a) The Management has conducted physical verification of inventories at reasonable intervals. In our opinion, the coverage and procedure of such physical verification by the management is commensurate with the size of the Company and the nature of its operations. The discrepancies noticed on such physical verifications between physical stock and book records are less than 10% in the aggregate for each class of inventories and the discrepancies have been properly dealt with in the books of account.
 - b) According to the information and explanations given to us by the Management and books and records maintained, the Company has been sanctioned working capital limits in excess of ₹5 crore, in aggregate, at various points of time during the year, from banks on the basis of security of current assets of the Company. The quarterly returns filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters. The Company has not availed working capital limits in excess of ₹5 crores in aggregate from any Financial Institutions at any point during the year.
- iii) a) The Company has made investments in a Co-operative Bank. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured. Therefore, the provisions of sub-clause (a), (c), (d), (e) and (f) of paragraph 3 (iii) of the Order are not applicable.
b) In our opinion, the investments made during the year are, *prima facie*, not prejudicial to the Company's interest.

- iv) According to the information and explanations given to us, the Company has not granted any loans or given guarantee or provided any security to parties covered under Section 185 of the Act. In our opinion and according to the information and explanations given to us and records examined by us, the provisions of Section 186 of the Act, in respect of investments made have been complied with by the Company.
- v) According to the information and explanations given to us and representations obtained from Management, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of the Act and the Rules framed thereunder apply. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of any of its activities carried out by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.
- vii) Statutory Dues:
- According to the information and explanations given to us and on the basis of the records examined by us, the Company is regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Duty of Custom, Profession Tax, cess and other material applicable statutory dues during the year. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year, for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025, on account of disputes are given below:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Demand of tax on set-off of Depreciation loss of windmill segment with other segment	2,635.86	F. Y. - 2007-08	High Court of Karnataka
	Disallowance on Tax on Sale of Certified Emission Reduction and on account of personal flights undertaken by the management.	185.59	F.Y. - 2013-14	High Court of Karnataka
	Disallowance of certain expenses treating them as personal expenses	14.23	F.Y.- 2015-16	Commissioner of Income Tax (Appeals)
	Disallowance of employer's contribution to gratuity fund, leave salary and bonus, deduction in respect of new employees and certain expenses treating them as personal expenses. Addition on account of fall in net profit ratio. (Net of Amount paid under Protest – ₹ 245.20 lakhs).	980.82	F.Y.- 2016-17	Commissioner of Income Tax (Appeals)
	Disallowance of employer's contribution to gratuity fund and deduction in respect of new employees. (Net of Amount paid under Protest – ₹ 29.23 lakhs).	116.92	F.Y.- 2017-18	Commissioner of Income Tax (Appeals)
	Demand of tax treating the slump sale of Bus division as short-term capital gain (Refer Note below)	811.83	F.Y.- 2022-23	Commissioner of Income Tax (Appeals)

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Custom Act, 1962	Custom Duty on import of aircraft and related interest / penalties / fines.	1,569.02	FY – 2007-08	High Court of Gujarat
The Finance Act, 1994	Non-refund of service tax paid	242.88	2000-01 to 2001- 02	Customs, Excise and Service Tax Appellate Tribunal (Bengaluru)
	Service tax arising due to reclassification of services.	328.45	April 2014 to February 2017	Customs, Excise and Service Tax Appellate Tribunal (Bengaluru)
	Service Tax on National Permit Fees.	68.07	April 2016 to June 2017	Commissioner of GST, Belgaum.
	Goods & Service Tax on National Permit Fees. (Net of GST paid under protest ₹ 31.76 lakh)	285.79	July 2017 to September 2021	Commissioner of GST, Belgaum.
	GST on Supplies attracting reverse charge (net of GST paid under protest ₹ 4.28 lakh)	85.69	July 2017 to March 2018	Additional commissioner (Appeals), Delhi.

Note: Stay order has been granted against demand of ₹ 811.83 lakh.

- viii) According to the information and explanations given to us and on the basis of the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) Borrowings:
- In our opinion and according to the information and explanations given to us, and representation obtained from Management, the Company has not defaulted in repayment of loans or other borrowings or payment of interest thereon to any bank during the year. The Company has not taken any loan and borrowings from financial institutions and the Government.
 - In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has applied the term loans obtained from the banks during the year for the purpose for which it was obtained.
 - In our opinion and according to the information and explanations given to us and representation obtained from Management, on an overall examination of the Ind-AS Financial Statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

- e) According to the information and explanations given to us, representation obtained from Management, and on an overall examination of the Ind-AS Financial Statements of the Company, the Company does not have any subsidiaries, associates or joint ventures and hence reporting on clause 3(ix)(e) and (f) of the Order are also not applicable.
- x) Allotment of Shares
 - a) According to the information and explanations given to us, representation obtained from Management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under paragraph (iii) (x)(b) of the Order is not applicable to the Company.
- xi) Frauds
 - a) According to the information and explanations given to us, on the basis of the records examined by us and representation from Management, no frauds by the Company or material frauds on the Company have been noticed or reported during the year.
 - b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - c) According to the information and explanations given to us and representation from Management, no whistle-blower complaints have been received by the Company during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, Company hence reporting under paragraph (iii) (xii) (a), (b) and (c) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act with respect to applicable transactions with the related parties and details of such transactions have been disclosed in the Ind-AS Financial Statements as required by the applicable accounting standards.
- xiv) Internal Audit System
 - a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with them, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has also not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under paragraph 3(xvi)(a) and (b) of the Order are not applicable.
 - b) Neither the Company nor any company in the Group is a part of the Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under paragraph 3(xvi) (c) and (d) of the Order are not applicable.
- xvii) According to the information and explanations given to us and based on our examination of the Ind-AS Financial Statements of the Company, the Company has not incurred cash losses during the current financial year and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditor of the Company during the year.

- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the IND-AS Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and representation from Management. Our report does not give any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) Corporate Social Responsibility

There are no unspent amounts towards Corporate Social Responsibility (CSR) as at March 31, 2025. Accordingly, reporting under paragraph 3(xx)(a) and 3(xx)(b) of the Order are not applicable for the year.

**For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS**

Firm Reg. No.: 104607W / W100166

**Cyrus A. Nariman
Partner**
Membership No.: 102643

UDIN: 25I02643DMKWYW5791
Hubballi: May 21, 2025

Annexure "B" to the Independent Auditor's Report

(Referred to in Para 2 (f) Report on Other Legal and Regulatory Requirements in our Independent Auditor's Report to the Members of the Company on the Financial Statements for the year ended March 31, 2025)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to Financial Statements of **VRL LOGISTICS LIMITED** ("the Company") as of March 31, 2025, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act" or the "Companies Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles and that receipts and

expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and

- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our knowledge and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the internal controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

**For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS**
Firm Reg. No.: 104607W / W100166

**Cyrus A. Nariman
Partner**
Membership No.: 102643

UDIN: 25I02643DMKWYW5791
Hubballi: May 21, 2025

BALANCE SHEET AS AT 31 MARCH 2025

(₹ in lakhs, unless otherwise stated)

PARTICULARS	NOTE	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, Plant and Equipment	2	155423.15	119823.61
Right-of-use Assets	2(a)	68727.03	70109.99
Capital Work-in-Progress	2(b)	1508.39	2355.83
Investment Properties	3	82.93	84.97
Intangible Assets	4	31.27	33.63
Financial Assets			
Non-Current Investments	5	5.50	5.25
Other Financial Assets	6	4270.31	4580.00
Income-tax Assets (Net)		1905.46	1477.20
Other Non-Current Assets	7	1367.71	2045.46
		<u>233321.75</u>	<u>200515.94</u>
Current Assets			
Inventories	8	4290.26	4119.10
Financial Assets			
Trade Receivables	9	9,287.40	8848.74
Cash and Cash Equivalents	10	5,313.04	1826.08
Bank Balances other than Cash and Cash Equivalents	11	71.82	69.00
Other Financial Assets	12	1,133.12	1305.97
Other Current Assets	13	5,150.61	4711.53
		<u>25246.25</u>	<u>20880.42</u>
Total Assets		<u>258568.00</u>	<u>221396.36</u>
Equity and Liabilities			
Equity			
Equity Share Capital	14	8746.85	8746.85
Other Equity	15	99,708.71	85832.18
		<u>108455.56</u>	<u>94579.03</u>
Liabilities			
Non- Current Liabilities			
Financial Liabilities			
Borrowings	16	36836.38	18304.26
Lease Liabilities	40	60369.22	58451.76
Other Financial Liabilities	17	1286.11	1227.00
Provisions	18	4689.39	3469.90
Deferred Tax Liabilities (Net)	19	7,777.25	6719.29
Other non-current liabilities			
		<u>110958.35</u>	<u>88172.21</u>
Current Liabilities			
Financial Liabilities			
Borrowings	16	7875.38	9623.64
Lease Liabilities	40	17494.20	17253.21
Trade Payables			
total outstanding dues of micro and small enterprises	20	16.29	17.41
total outstanding dues of creditors other than micro and small enterprises	20	1290.44	1508.28
Other Financial Liabilities	21	7176.70	6242.61
Provisions	18	2103.25	1807.57
Current Tax Liabilities (Net)			
Other Current Liabilities	22	1141.45	-
		2056.38	2192.40
		<u>39154.09</u>	<u>38645.12</u>
Total Equity and Liabilities		<u>258568.00</u>	<u>221396.36</u>

Notes to the financial statements
1 to 48

As per our report of even date attached

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No. 104607W / W100166

Cyrus A Nariman

Partner

Membership No.: 102643

Place : Hubballi

Date : 21 May 2025

For and on behalf of the Board of Directors
Vijay Sankeshwar

Chairman and Managing Director
DIN: 00217714

Anand Sankeshwar

Managing Director
DIN: 00217773

Sunil Nalavadi

Chief Financial Officer

Aniruddha Phadnavis

General Manager (Finance)
and Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs, unless otherwise stated)

PARTICULARS	NOTE	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	23	316094.80	288862.03
Other income	24	2545.85	2109.82
Total Income		318640.65	290971.85
Expenses			
Freight, handling and servicing cost	25	199936.31	196675.49
Employee benefits expense	26	54516.80	48512.90
Finance costs	27	9483.75	7786.48
Depreciation and amortisation expense	28	25362.46	21616.30
Other expenses	29	4345.77	4329.45
Total expenses		293645.09	278920.62
Profit before exceptional items and tax		24995.56	12051.23
Exceptional Items	30	-	48.67
Profit before tax from continuing operations		24995.56	12099.90
Tax expense on continuing operations	31		
- Current tax		5570.00	1000.00
- Deferred tax charge / (credit)		1072.54	2055.34
- Current tax adjustments pertaining to earlier year		59.73	138.46
Profit for the year from continuing operations		18293.29	8906.10
- Current tax adjustments pertaining to earlier year		-	20.99
Profit after tax from discontinued operations		-	(20.99)
Profit for the year		18293.29	8885.11
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain/(losses) on defined benefit plans		(57.91)	205.30
Deferred tax credit / (charge)		14.57	(51.67)
Other comprehensive income for the year, net of tax		(43.34)	153.63
Total comprehensive income for the year		18249.95	9038.74
Basic and diluted earnings per share of face value ₹ 10 each (in ₹)	32		
- from continuing operations		20.91	10.18
- from discontinued operations		-	(0.02)
- from continuing and discontinued operations		20.91	10.16
Notes to the financial statements		1 to 48	

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No. 104607W / W100166

Cyrus A Nariman

Partner

Membership No.: 102643

Place : Hubballi

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Managing Director

DIN: 00217773

Sunil Nalavadi

Chief Financial Officer

Place : Hubballi

Date : 21 May 2025

Aniruddha Phadnavis

General Manager (Finance)
and Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs, unless otherwise stated)

PARTICULARS	Year ended 31 March 2025	Year ended 31 March 2024
A Cash flows from operating activities		
Profit before tax	24995.56	12099.9
Adjustments for :		
Depreciation and amortisation expense	25362.46	21616.30
Finance costs	9483.75	7786.48
Exceptional Items (refer Note 30)	-	(48.67)
Interest income from fixed deposit	(5.56)	(5.54)
Rent income from investment property	(59.23)	(56.41)
Dividend income	(0.87)	(0.70)
Profit on Sale of Investments	-	(5.27)
Loss / (Profit) on sale of property, plant and equipment (net)	(796.91)	(263.74)
Advances/ bad debts written off	1.25	34.63
Allowance for doubtful advances and debts	60.73	183.22
Interest income resulting from fair valuation of security deposits	(317.38)	(173.25)
Provision no longer required written back	-	(228.39)
Operating profit before working capital changes	58723.80	40938.56
Adjustments for :		
(Increase) / Decrease in trade receivables	(499.39)	(862.57)
(Increase) / Decrease in financial and other assets	428.85	2270.22
Decrease / (Increase) in Inventories	(171.16)	1160.18
(Decrease) / Increase in trade payables, other liabilities and provisions	2214.69	1526.23
Cash generated from operating activities	60696.79	45032.62
Direct taxes paid (net of refunds)	(4916.54)	(2640.14)
Net cash generated from operating activities (A)	55780.25	42392.48
B Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work in progress and capital advances)	(44885.70)	(28475.50)
Proceeds from sale of property, plant and equipment	1862.57	871.96
Proceeds from sale of Sale of Transport of Passengers by Air Business	-	1700.00
Investments in fixed deposits with bank	(311.64)	(1.08)
Maturity proceeds of fixed deposits with bank	300.00	-
Investments in Equity shares	(0.25)	-
Proceeds from sale in investments in mutual funds	-	1507.07
Rent received from investment property	59.23	56.41
Interest received	5.05	5.54
Dividend income received	0.87	0.70
Net cash (used in)/generated from investing activities (B)	(42969.87)	(24334.90)
C Cash flows from financing activities		
Tax outflow on buyback of equity shares	-	(1406.50)
Proceeds from/(repayment of) short term borrowings (net)	(3915.67)	(435.04)
Proceeds from long term borrowings	26894.24	14254.97
Repayment of long term borrowings	(6194.71)	(3781.17)
Payment of principal portion of the lease liability	(12380.23)	(13909.07)
Payment of interest portion of the lease liability	(6420.39)	(5561.92)
Dividend paid	(4372.63)	(4377.16)
Interest and processing fees paid	(2934.03)	(2166.58)
Net cash (used in)/generated from financing activities (C)	(9323.42)	(17382.47)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3486.96	675.11
Cash and cash equivalents at the beginning of the year	1826.08	1150.97
Cash and cash equivalents at the end of the year	5313.04	1826.08
Cash and cash equivalents comprise:		
Cash on hand	413.28	379.15
Cheques/drafts on hand	6.43	8.43
Balances with banks in current accounts	4893.33	1438.50
Cash and Cash Equivalents at the End of the Year	5313.04	1826.08

Notes:

1] The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7, Statement of cash flows.

Notes to the financial statements

The notes referred to above form an integral part of the financial statements

1 to 48

As per our report of even date attached

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No. 104607W / W100166

Cyrus A Nariman

Partner

Membership No.: 102643

Place : Hubballi

Date : 21 May 2025

For and on behalf of the Board of Directors
Vijay Sankeshwar

Chairman and Managing Director

DIN: 00217714

Anand Sankeshwar

Managing Director

DIN: 00217773

Sunil Nalavadi

Chief Financial Officer

Place : Hubballi

Aniruddha Phadnavis

General Manager (Finance)

& Company Secretary

Date : 21 May 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs, unless otherwise stated)

a	Equity share capital (Refer note 14)	Number	Amount
	As at 1 April 2024	87468495	8746.85
	Less: Buyback of shares during the year (refer note 38)	-	-
	Balance as at 31 March 2025	87468495	8746.85

b Other equity (Refer note 15)

	Reserves and Surplus				
	Securities Premium	General Reserve	Capital Redemption Reserve	Retained Earnings	Total Other Equity
Balance as at 31 March 2023	11364.45	14449.46	290.00	62645.89	88749.80
Profit for the year	-	-	-	8885.11	8885.11
Other comprehensive income for the year (Net of Tax)	-	-	-	153.63	153.63
Total Comprehensive income for the year ended 31 March 2024	-	-	-	9038.74	9038.74
Cash dividends	-	-	-	(4373.42)	(4373.42)
Amount utilised on account of buyback of shares (refer Note 38)	(6176.44)	-	-	-	(6176.44)
Tax on buyback of shares (refer Note 38)	(1406.50)	-	-	-	(1406.50)
Amount transferred to Capital Redemption Reserve on account of buyback of shares (refer Note 38)	(87.50)	-	87.50	-	-
Transfer to General Reserve	-	888.51	-	(888.51)	-
Balance as at 31 March 2024	3694.01	15337.97	377.50	66422.70	85832.18
Profit for the year	-	-	-	18293.29	18293.29
Other comprehensive income for the year (Net of Tax)	-	-	-	(43.34)	(43.34)
Total Comprehensive income for the year ended 31 March 2025	-	-	-	18249.95	18249.95
Cash dividends	-	-	-	(4373.42)	(4373.42)
Transfer to General Reserve	-	1829.33	-	(1829.33)	-
Balance as at 31 March 2025	3694.01	17167.30	377.50	78469.90	99708.71

Notes to the Financial Statements
1 to 48

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No. 104607W / W100166

Cyrus A Nariman
Partner
Membership No.: 102643

Place : Hubballi
Date : 21 May 2025

For and on behalf of the Board of Directors

Vijay Sankeshwar
Chairman and Managing Director
DIN: 00217714

Sunil Nalavadi
Chief Financial Officer

Place : Hubballi
Date : 21 May 2025

Anand Sankeshwar
Managing Director
DIN: 00217773

Aniruddha Phadnavis
General Manager (Finance)
and Company Secretary

Notes to the Financial Statements for the year ended 31 March 2025

Company Overview

VRL Logistics Limited (the "Company") is a public Company having CIN L60210KA1983PLC005247 and was incorporated under the Companies Act, 1956, on March 31, 1983. The Company is engaged in logistics services dealing mainly in domestic transportation of goods.

The operations of the Company are spread all over the country through various branches and transshipment hubs. The Company has its registered office in Hubballi, Karnataka.

General Information

a) Basis for preparation of financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS"), as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost convention and accrual basis, except for certain financial assets and liabilities measured at fair value and plan assets towards defined benefit plans, which are measured at fair value.

The financial statements have been prepared on a going concern basis and the accounting policies are applied consistently to all the periods presented in financial statement.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Division II of Schedule III to the Act.

b) Functional and presentation currency

The financial statements are presented in currency INR, which is the functional and presentation currency of the Company.

c) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

d) Significant management judgements in applying accounting policies and estimation uncertainty

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision if it affects both current and future periods.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

i) Impairment of non-financial assets

In assessing impairment, Management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Notes to the Financial Statements for the year ended 31 March 2025

ii) Depreciation and useful lives of property, plant and equipment

Property, Plant and Equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates

iii) Recoverability of trade receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the review by the Management of the receivable from the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iv) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

v) Contingent Liabilities

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

vi) Defined benefit obligation ("DBO")

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

vii) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

viii) Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

1. Material Accounting Policies

a) Property, Plant and Equipment (including Capital work-in-progress)

On Transition to IND AS, the company had elected to continue with the carrying value of all its Property, Plant and Equipment, Intangible Assets and Investment Properties as at March 31, 2015, measured as per the previous GAAP and used that carrying value as deemed cost of Property, Plant and Equipment, Intangible Assets and Investment Property as on April 01, 2015.

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment are stated at historical

Notes to the Financial Statements for the year ended 31 March 2025

cost less depreciation and impairment, if any. Historical cost of items of Property, Plant and Equipment includes expenditure that is directly attributable to the acquisition and installation, borrowing costs during the construction period and excludes any duties / taxes recoverable.

Subsequent cost is included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of such item can be measured reliably.

If significant parts of an item of Property, Plant and Equipment have different useful lives then they are accounted for as separate components of Property, Plant and Equipment.

The carrying amount of any component accounted for as a separate asset is de-recognised when replaced or disposed. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

An item of Property Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on retirement or disposal of items of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognized.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each reporting date are classified as Capital Advances under Other Non-Current Assets. Assets acquired but not ready for use are classified under Capital Work in Progress and are stated at cost comprising of direct costs and related incidental expenses.

b) Investment Property

Investment property is the property that is not occupied by the Company and which is held to earn rentals or for capital appreciation, or both. Upon initial recognition, an investment property is measured at cost, including directly attributable overheads, if any. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of an investment property is recognised in Statement of Profit and Loss, unless any other standard specifically requires otherwise.

Company depreciates the investment property using the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Act.

Though, the Company measures investment property using cost - based measurement, the fair value of investment property is disclosed in Notes.

The fair value is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

c) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

d) Depreciation/Amortisation

- i. Depreciation is provided under the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Act except on Vehicles (part of Plant and Equipment). Vehicles are depreciated over a period of fifteen years based on internal assessment and independent technical evaluation carried out

by external valuer; the Management believes that the useful life, as mentioned, represents the period over which Management expects to use these assets. Therefore, the useful life adopted for these assets are different from the useful life as prescribed under Part C of Schedule II of the Act.

- ii. Cost of leasehold improvements is amortized over the period of the lease or its useful life, whichever is lower.
- iii. Computer Software is amortized over a period of five years.

An asset's carrying amount is written down to its recoverable amount immediately, if the asset's carrying amount is greater than its estimated recoverable amount.

The residual value of an asset is not more than 5% of the original cost of that asset. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

e) Measurement and recognition of leases

The Company considers whether contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:

- i. the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- ii. the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- iii. the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Company as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability in the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of Profit and Loss, as the case may be.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind-AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

f) Impairment of non-financial assets

At the end of each reporting period, the Company assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amounts are estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

Financial Assets

Initial recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

i. Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Financial Assets measured at fair value

Financial assets are measured at fair value through other comprehensive income (FVOCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables. Simplified approach does not require the Company to track changes in credit risk.

Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recorded as expense/ income in the Statement of Profit and Loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Equity investments

All equity investments in the scope of Ind AS 109, Financial Instruments, are measured at fair value. For equity instruments, the Company may make an irrevocable selection to present the subsequent fair value changes in Other Comprehensive Income (OCI). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

Equity instruments included within the FVTPL (fair value through profit and loss) category are measured at fair value with all changes in fair value recognized in the profit or loss.

Financial Liabilities

Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Where the terms of a financial liability are re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

h) Fair value measurement

The Company measures financial assets and financial liability at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Valuation team determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement.

i) Inventories

Consumables, stores and spares are valued at lower of cost and net realisable value; cost is computed on first-in-first out basis. The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories. Obsolete, defective, unserviceable and slow/nonmoving stocks are duly provided for. Net realisable value is estimated selling price in ordinary course of business less the estimated cost necessary to make the sale.

j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalents are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents.

k) Revenue recognition

The Company derives revenues primarily from business of Goods transport and Courier service. The Company recognizes revenue from contracts with customers based on a five-step model, such as to, identifying the contracts with a customer, identifying the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when (or as) the entity satisfies a performance obligation at a point in time or over time. The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government and reduced by any rebates and trade discount allowed.

Contract assets includes costs incurred to fulfill a contract with a customer. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rise to a contract liability.

The specific recognition criteria described below must also be met before income is recognised.

- i. Revenue from Goods transport and Courier service is recognised as and when goods and documents are delivered.
 - ii. Revenue from sale of eligible carbon credit units such as Verified / Certified Emission Reductions units (VERs)/ (CERs) is recognised on completion of the validation process for units generated and entering of a definitive binding agreement for the sale of such units.
 - iii. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.
- Interest income is recognized using the effective interest method for deposits placed with banks and financial institutions.
- iv. Dividend income is recognised when the right to receive the dividend is established.
 - v. Rent income is recognised on a straight-line basis over the period of the lease.
 - vi. Advertisement income is recognised when the related advertisement or commercial appears before the public.

I) Employee benefits

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution plan

The Company's contribution to Provident Fund is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis. The Company has categorised its Provident Fund contributions as a defined contribution plan since it has no further obligations beyond these contributions.

Defined benefit plan

The Company's liability towards gratuity, being a defined benefit plan is accounted for on the basis of an independent actuarial valuation based on Projected Unit Credit Method. The liability or asset recognised in the balance sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. Gratuity liability is funded by payments to the trust established for the purpose.

The present value of the defined benefit obligation is determined by discounting the estimated future cash

outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Service cost and the net interest cost is included in employee benefit expense in the Statement of Profit and Loss. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in 'other comprehensive income' as income or expense.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Accumulated compensated absences which are expected to be availed or encashed subsequent to 12 months are treated as long term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

m) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

n) Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method

Borrowings are eliminated from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transactions with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

o) Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of services rendered or sale of goods in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

p) Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method

q) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

- i. Current income tax liabilities and/or assets comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date.
- ii. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to the applicable tax regulations which may be subject to interpretation and creates provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.
- iii. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- iv. Deferred tax assets are recognised to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operations results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

- v. Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.
- vi. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

r) Provisions and Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose

existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Such liabilities are disclosed by way of notes to the financial statements. No disclosure is made if the possibility of an outflow on this account is remote.

Provisions and contingent liabilities commitments are reviewed at each balance sheet date.

s) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

t) Accounting Standard not yet effective

All the Indian Accounting Standards ("Ind AS") issued and notified by the Ministry of Corporate Affairs are effective and considered for the significant accounting policies to the extent relevant and applicable for the Company.

Notes to the Financial Statements for the year ended 31 March 2025 (₹ in lakhs, unless otherwise stated)

2 Property, Plant & Equipment

Gross Block	Freehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Office Equipment	Vehicles	Aircrafts	Leasehold Improvements	TOTAL
Balance as at 1 April 2023	14716.20	13307.42	7723.02	1568.78	5182.93	100805.16	2788.04	1219.28	147310.83
Additions	-	323.57	1163.6	422.11	1283.48	26017.24	-	670.31	29880.31
Disposals / Adjustment	-	-	-	-	-	-3879.83	-2788.04	-	-6667.87
Balance as at 31 March 2024	14716.20	13630.99	8836.62	1990.89	6466.41	122942.57	-	1889.59	170523.27
Additions	24289.63	5491.35	1237.07	435.19	2102.30	12349.14	-	190.06	46094.74
Adjustment (refer note below)	-	1004.42	-	-	-	-	-	(1004.42)	-
Disposals / Adjustment	(32.89)	(556.22)	(0.48)	-	-	(4145.03)	-	-	(4734.62)
Balance as at 31 March 2025	38972.94	19570.54	10123.21	2426.08	8568.71	131146.68	-	1075.23	211883.39
Accumulated depreciation and amortisation									
Balance as at 1 April 2023	-	3099.29	2827.63	623.17	3328.63	3544.69	1291.17	844.03	47458.61
Depreciation charge	-	433.56	632.38	153.55	690.16	5,771.49	89.89	122.70	7,893.73
Reversal on disposal of assets / Adjustments	-	-	-	-	-	(3,271.62)	(1,381.06)	-	(4,652.68)
Balance as at 31 March 2024	-	3533.85	3460.01	776.72	4018.79	37944.56	-	966.73	50699.66
Depreciation charge	-	500.61	708.39	189.37	1007.23	6829.44	-	194.49	9429.54
Adjustment	-	673.85	-	-	-	-	-	(673.85)	-
Reversal on disposal of assets / Adjustments	-	(234.16)	-	-	-	(3434.79)	-	-	(3668.96)
Balance as at 31 March 2025	0	4473.15	4168.40	966.09	5026.02	41339.21	-	487.37	56460.24
Net Carrying Value									
Balance as at 31 March 2024	14716.2	10098.14	5426.61	1214.17	2447.62	84998.01	-	922.86	119823.61
Balance as at 31 March 2025	38972.94	15097.39	5954.81	1459.99	3542.69	89807.47	-	587.86	155423.15

Notes:

- 1) Refer Note 33 for information on Property, plant and equipment pledged as security.
- 2) Refer Note 36 for disclosure of contractual commitments for the acquisition of Property, plant and equipment.
- 3) During the current and previous years, the Company has not renewed any of its Property, plant and equipment.
- 4) In the Gross carrying value of Property, Plant and Equipment as at March 31, 2025, includes assets considered for exemption as referred in Note 1 of material accounting policies applied during the first time adoption of Indian Accounting Standard amounting to ₹ 30,639.15 lakhs.
- 5) During the year, the Company acquired the land and building, previously held under lease. As a result, leasehold improvements of Gross Value ₹ 1,004.42 lakhs and its corresponding Accumulated Depreciation of ₹ 673.85 lakhs earlier classified under "Buildings" under Property, Plant and Equipment, reflecting the change in ownership and nature of the asset. This reclassification has no impact on the overall carrying value of PPE or the financial results for the period.

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

2(a) Right-of-use Assets

Gross Carrying Value	Right of use assets - Building
Balance as at 1 April 2023	68,246.47
Additions	39,028.12
Disposals	(6148.96)
Balance as at 31 March 2024	101125.63
Additions	18877.54
Disposals	(6878.75)
Balance as at 31 March 2025	113124.42
 Accumulated depreciation	
Balance as at 1 April 2023	19,981.88
Depreciation charge	13,706.03
Reversal on disposal of assets	(2672.27)
Balance as at 31 March 2024	31015.64
Depreciation charge	15,921.64
Reversal on disposal of assets	(2539.89)
Balance as at 31 March 2025	44397.39
Net Block	
Balance as at 31 March 2024	70,109.99
Balance as at 31 March 2025	68,727.03

Note:

The Company has recognised Right-of-Use (ROU) assets with a net carrying value of ₹ 523.71 lakhs as at 31st March 2025 in respect of 14 lease agreements that have expired and are currently in the process of renewal.

2(b) Capital Work in Progress

The ageing schedule for capital work in progress is set-out below :

Capital Work in Progress as on 31 March 2025	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1) Projects in progress	1508.39	-	-	-	1508.39
- Lease Hold Improvements	42.77	-	-	-	42.77
- Vehicles	973.31	-	-	-	973.31
- Plant & Equipment	162.47	-	-	-	162.47
- Building	329.84	-	-	-	329.84
Total	1508.39	-	-	-	1508.39
 2) Projects temporarily suspended	-	-	-	-	-
Grand Total	1508.39	-	-	-	1508.39

Capital Work in Progress as on 31 March 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1) Projects in progress	2316.24	39.59	-	-	2355.83
- Lease Hold Improvements	-	-	-	-	-
- Vehicles	2105.35	-	-	-	2105.35
- Plant & Equipment	184.70	39.59	-	-	224.29
- Building	26.19	-	-	-	26.19
Total	2316.24	39.59	-	-	2355.83
 2) Projects temporarily suspended	-	-	-	-	-
Grand Total	2316.24	39.59	-	-	2355.83

Note:

During the current and previous years, the Capital Work in Progress projects of the Company have neither exceeded their budgets nor their timelines.

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

3 Investment properties

	Amount
Gross carrying value	
Balance as at 1 April 2023	103.27
Additions	-
Deletions	-
Balance as at 31 March 2024	103.27
Additions	-
Deletions	-
Balance as at 31 March 2025	103.27
Accumulated depreciation	
Balance as at 1 April 2023	16.26
Depreciation for the year	2.04
Reversal on disposal of assets	-
Balance as at 31 March 2024	18.30
Depreciation for the year	2.04
Reversal on disposal of assets	-
Balance as at 31 March 2025	20.34
Net Carrying Value	
Balance as at 31 March 2024	84.97
Balance as at 31 March 2025	82.93
Fair value	
As at 31 March 2024	371.76
As at 31 March 2025	364.32
	Year ended 31 March 2025
	Year ended 31 March 2024
Rental income derived from investment properties	59.23
Income arising from investment properties before depreciation	59.23
Depreciation on investment properties	2.04
Income arising from investment properties (Net)	57.19

Valuation process

Company obtains independent valuation of its investment properties annually from a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The best evidence of fair value is current price in an active market for similar properties. Where such information is not available, Company considers current price in an active market for properties of different nature or recent prices of similar properties in less active market, adjusted to reflect those differences.

They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

4 Intangible Assets

	Computer software
Gross carrying value	
Balance as at 1 April 2023	337.47
Additions	30.80
Balance as at 31 March 2024	368.27
Additions	6.89
Balance as at 31 March 2025	375.16
Accumulated amortisation	
Balance as at 1 April 2023	320.14
Amortisation charge	14.50
Balance as at 31 March 2024	334.64
Amortisation charge	9.25
Balance as at 31 March 2025	343.89
Net Carrying Value	
Balance as at 31 March 2024	33.63
Balance as at 31 March 2025	31.27

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
5 Investments		
Unquoted investments in equity instruments at FVTPL		
The Shamrao Vithal Co-operative Bank Limited	5.00	5.00
(20,000 equity shares (31 March 2024: 20,000 equity shares) of ₹25 each fully paid up)		
The Saraswat Co-operative Bank Limited	0.50	0.25
(5,000 equity shares (31 March 2024: 2,500 equity shares) of ₹10 each fully paid up)		
	<u>5.50</u>	<u>5.25</u>
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	5.50	5.25
Aggregate amount of impairment in value of investments	-	-
Note:		
The Company has bought additional shares of 2,500 in the " The Saraswat Co - operative Bank Limited at ₹10 each.		
The Company is of the view that the changes on account of fair valuation of the above investments is immaterial, therefore no effect for the same has been given in these financial statements		
6 Other Non-Current Financial Assets		
Unsecured, considered good, unless otherwise stated		
Leased premises security deposits	4083.37	4425.09
Other security deposits	159.67	137.25
Bank deposits held under lien against bank guarantee with maturity of more than 12 months	27.27	17.66
	<u>4270.31</u>	<u>4580.00</u>
7 Other Non- Current Assets		
Unsecured, considered good, unless otherwise stated		
Prepaid expenses	35.77	21.79
Capital advances		
- Considered Good	876.47	1495.08
- Considered Doubtful	25.00	25.00
Less : Allowances for doubtful advances	25.00	25.00
Deposits with Customs and Other Government Authorities	455.47	528.59
Advance to suppliers, other than capital advance		
- Considered Doubtful	12.42	12.42
Less : Allowances for doubtful advances	12.42	12.42
	<u>1367.71</u>	<u>2045.46</u>

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
8 Inventories		
Valued at lower of cost and net realisable value		
Raw Materials	2.12	2.49
Certified Emission Reduction Credits (refer Note 37)	9.39	9.39
Stores and Spares	4278.75	4107.22
(31 March 2025: Including Goods in transit - ₹ 437.16 lakhs		
(31 March 2024: ₹ 576.16 lakhs))		
	4290.26	4119.10
9 Trade Receivables		
(Unsecured, considered good, unless otherwise stated)		
Others	9221.53	8843.41
Receivables from related parties (refer note 43)	65.87	5.33
Trade Receivables which have significant increase in credit risk	3.31	63.35
Trade Receivables - Credit Impaired	220.36	132.94
	9511.07	9045.03
Less : Allowance for doubtful debts	223.67	196.29
	9287.40	8848.74

Refer Note 41 for information about credit risk and market risk of trade receivables.

Includes ₹65.08 lakhs (31 March 2024: ₹24.94 lakhs) due from two private companies in which two Directors of the Company are Directors.

There are no debts due by Directors or other Officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director is a Partner or a Member.

Outstanding for following periods from due date of payment	As at 31 March 2025	As at 31 March 2024
a) Undisputed Trade Receivables - Considered Good	9287.40	8848.74
- Not Due	4899.51	4336.07
- Less than 6 months	4387.89	4496.89
- 6 months - 1 year	-	15.78
b) Undisputed Trade Receivables - which have significant increase in credit risk	3.31	63.35
- Not Due	1.25	11.89
- Less than 6 months	1.10	19.89
- 6 months - 1 year	0.96	31.57
c) Undisputed Trade Receivables - Credit Impaired	82.36	13.85
- Not Due	-	-
- Less than 6 months	23.15	-
- 6 months - 1 year	53.31	-
- 1 - 2 years	3.63	-
- More than 3 years	2.27	13.85
d) Disputed Trade Receivables - Considered Good	-	-
e) Disputed Trade Receivables - which have significant increase in credit risk	-	-
f) Disputed Trade Receivables - Considered Doubtful	138.00	119.09
- More than 3 years	138.00	119.09

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
10 Cash and Cash equivalents		
Balances with banks		
- in current accounts	4893.33	1438.5
Cash on hand	413.28	379.15
Cheques / drafts on hand	6.43	8.43
	5313.04	1826.08
11 Bank balances other than cash and cash equivalents		
- Unclaimed dividend account	10.75	9.96
- Bank deposits held under lien against bank guarantee with maturity more than 3 months but less than 12 months	61.07	59.04
	71.82	69.00
12 Other Current Financial Assets		
Unsecured, considered good, unless otherwise stated		
Other receivables	81.84	58.80
Receivables from related parties (refer note 43)	33.87	21.06
Interest accrued on bank deposits	3.08	2.57
Leased premises security deposits		
- Considered Good	1014.33	1223.54
- Considered Doubtful	80.57	197.18
Less : Allowances for doubtful deposits	80.57	197.18
	1133.12	1305.97
13 Other Current Assets		
Unsecured, considered good, unless otherwise stated		
Prepaid expenses	2512.29	2685.30
Excess CSR Spend Carried Forward	11.12	36.82
Balances with Government Authorities	606.71	754.18
Advance to suppliers, other than capital advance	590.09	449.84
Other Advances		
- Considered Good	1430.40	785.39
- Considered Doubtful	24.11	9.91
Less : Allowances for doubtful advances	1454.51	795.30
	24.11	9.91
	5150.61	4711.53

Notes to the Financial Statements for the year ended 31 March 2025 (₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025		As at 31 March 2024		
	Number	Amounts	Number	Amounts	
14 Equity share capital					
Authorised share capital					
Equity shares of ₹ 10 each					
0.001% Compulsorily and mandatorily convertible participatory preference shares of ₹ 100 each					
Issued, subscribed and fully paid up					
Equity shares of ₹ 10 each					
Total					
a) Reconciliation of equity share capital					
Balance at the beginning of the year					
Less: Buyback of shares during the year (refer note 38)					
Balance at the end of the year					
b) Rights/preferences/restrictions attached to equity shares					
The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Any fresh issue of equity shares shall rank pari-passu with the existing shares. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting, except interim dividend. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.					
c) Shareholders holding more than 5% of the shares					
Equity shares of ₹ 10 each					
Dr. Vijay Sankeshwar	2,47,80,564	28.33%	2,47,80,564	28.33%	
Dr. Anand Sankeshwar	2,74,90,821	31.43%	2,74,90,821	31.43%	
Shares held by the promoters at the end of the year					
Equity shares of ₹ 10 each					
Dr. Vijay Sankeshwar	247,80564	28.33%	247,80564	28.33%	
Dr. Anand Sankeshwar	274,90821	31.43%	274,90821	31.43%	
Mrs. Vani Sankeshwar	39,6489	0.45%	39,6489	0.45%	
Mrs. Lalita Sankeshwar	20817	0.02%	20817	0.02%	
Mrs. Bharati Holtkunde	1750	0.00%	1750	0.00%	
Mrs. Deepa Sindal	530	0.00%	-	0.00%	
Total	52690971	60.23%	-	52690441	60.23%
e) There are no equity shares reserved for issue under options and contracts / commitments for the sale of shares.					
f) For the period of five years immediately preceding the date of the Balance Sheet:					
i) The Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash.					
ii) The Company has not allotted as fully paid up bonus shares.					
iii) The Company has bought back 28.75 lakhs equity shares. Of these 20 lakhs equity shares were bought back during the year ended 31 March 2021 and 8.75 lakhs shares during the year ended 31 March 2024.					
There are no securities convertible into equity / preference shares.					
There are no calls unpaid on any equity shares.					
There are no forfeited shares.					

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

15 Other equity

	Reserves and Surplus				
	Securities Premium	General Reserve	Capital Redemption Reserve	Retained Earnings	Total Other Equity
Balance as at 31 March 2023	11364.45	14449.46	290.00	62645.89	88749.80
Profit for the year	-	-	-	8885.11	8885.11
Other comprehensive income for the year (Net of Tax)	-	-	-	153.63	153.63
Total Comprehensive income for the year ended 31 March 2024	-	-	-	9038.74	9038.74
Cash dividends	-	-	-	(4373.42)	(4373.42)
Amount utilised on account of buyback of shares (refer Note 38)	(6176.44)	-	-	-	(6176.44)
Tax on buyback of shares (refer Note 38)	(1406.50)	-	-	-	(1406.50)
Amount transferred to Capital Redemption Reserve on account of buyback of shares (refer Note 38)	(87.50)	-	87.50	-	-
Transfer to General Reserve	-	888.51	-	(888.51)	-
Balance as at 31 March 2024	3694.01	15337.97	377.50	66422.70	85832.18
Profit for the year				18293.29	18293.29
Other comprehensive income for the year (Net of Tax)				(43.34)	(43.34)
Total Comprehensive income for the year ended 31 March 2025				18249.95	18249.95
Cash dividends	-	-	-	(4373.42)	(4373.42)
Transfer to General Reserve	-	1829.33	-	(1829.33)	-
Balance as at 31 March 2025	3694.01	17167.30	377.50	78469.90	99708.71

Nature and purpose of reserves
Securities Premium:

Securities premium is used to record the premium on issue of shares . The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve:

The reserve is created out of surplus balance of profit of the Company and is a distributable reserve maintained by the Company.

Capital Redemption Reserve:

Represents reserve created during buy-back of Equity Shares as required by the Companies Act 2013 and it is a non-distributable reserve.

Retained Earnings:

Retained earnings pertain to the accumulated earnings by the Company over the years.

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at		As at 31 March 2024
	31 March 2025	Non- current	
16 Borrowings			
Secured Term loans			
From banks	44711.76	-	24012.23
Less : Current maturities of long-term debt	(7875.38)	-	(5707.97)
Total	36836.38		18304.26
Current maturities of term loans			
Loans repayable on demand			
Working capital loan from banks	-	-	3915.67
	36836.38	7875.38	18304.26
			9623.64

Nature of Security and terms of repayment for secured borrowings

Nature of Security

- Term loan from bank, balance outstanding amounting to ₹ 21,964.71 lakhs (31 March 2024 : ₹ 24,012.23 lakhs) is secured by first charge by way of hypothecation of certain Lorries
- Term loan from bank, balance outstanding amounting to ₹ 21,919.82 lakhs (31 March 2024 : ₹ Nil) is secured by first charge by way of mortgage of Land & Building(Bengaluru - Dabaspet, Mangaluru-Bangrakullor Village)

Working capital loan from banks are secured by:

- First charge by way of equitable mortgage on Land and Building situated at Mangaluru along with collateral security on Building situated Dharwad, Gulbarga, Davangere and Gadag.
- First charge by way of hypothecation of trade receivable
- First charge by way of hypothecation of inventories

The Company has used the borrowings from banks for the specific purpose for which it were taken as at the balance sheet date. The quarterly returns filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 33.

17 Other Non-Current Financial Liabilities	As at		As at 31 March 2024
	31 March 2025	31 March 2025	
Deposits from agents and others	361.02	358.73	
Employee related liabilities - Driver Deposits	925.09	868.27	
			1286.11
			1227.00



Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Non- current	Current	Non- current	Current
18 Provisions				
Provision for Gratuity (refer note (a) below)	3223.72	1746.22	2288.67	1516.53
Provision for Compensated absences (refer note (a) below)	1465.67	357.03	1181.23	291.04
	4689.39	2103.25	3469.9	1807.57

a) Employee benefits
i) Defined Contribution Plans:

The amount recognised as an expense towards Contribution to Defined Contribution Plans is as under:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Employer's Contribution to Provident Fund	3459.44	3000.69

ii) Defined Benefit Plans
- Gratuity

I. Valuations in respect of Gratuity liability has been carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation, as at the Balance Sheet Date, based on the following assumptions:

Particulars	31 March 2025	31 March 2024
Discount rate	Staff 6.69% Drivers and Hamals 6.54%	Staff 7.19% Drivers and Hamals 7.18%
Rate of increase in compensation levels	Staff 5.00% Drivers and Hamals 0.05%	Staff 5.00% Drivers and Hamals 0.05%
Estimated rate of return on plan assets	6.69%	7.19%
Attrition rate	Staff 14 % Drivers and Hamals 40 %	Staff 14 % Drivers and Hamals 40 %
Mortality rate	Indian assured lives (2012-14) Ultimate Mortality Table	Indian assured lives (2012-14) Ultimate Mortality Table

II. Amounts recognised in the Balance Sheet

Present value of obligation as at the end of the year	7181.34	6543.68
Fair value of plan assets as at the end of the year	2211.40	2738.48
Funded status- Surplus/(Deficit)	(4969.94)	(3805.20)
Net asset /(liability) recognised in the Balance Sheet	(4969.94)	(3805.20)

III. Changes in present value of obligations

Present value of obligation as at the beginning of the year	6543.68	6197.86
Current service cost	997.29	881.61
Interest cost	407.32	419.45
Actuarial (gain) / loss on obligations	57.91	(205.55)
Actuarial gain / (loss) on plan assets	18.48	-
Acquisitions/Transfers	-	(25.60)
Benefits paid	(843.34)	(724.09)
Present value of obligation as at the end of the year	7181.34	6543.68

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

18 Provisions (Contd.)
IV. Changes in fair value of plan assets

Particulars	31 March 2025	31 March 2024
Fair value of plan assets at the beginning of the year	2738.48	3088.96
Expected return on plan assets	159.62	202.23
Actuarial gain/(loss) on plan assets	18.47	(0.25)
Charges	(0.08)	(0.09)
Contributions	-	-
Benefits paid	(705.09)	(552.37)
Fair value of plan assets at the end of the year	2211.40	2738.48

V. Actual return on plan assets	178.09	201.98
--	--------	--------

VI. Other Comprehensive Income

Remeasurements - Actuarial (gain)/ loss for the year	57.91	(205.30)
--	-------	----------

VII. Major category of plan assets*

Gratuity scheme of Insurance Companies	100%	100%
--	------	------

*In case of certain employees, the Gratuity liability is funded by payments to the trust administered by the Company.

VIII. Remeasurements - Actuarial (gain) / loss

Actuarial (Gain) / Loss due to change in demographic assumptions	-	-
Actuarial (Gain) / Loss due to change in financial assumptions	217.63	76.24
Actuarial (Gain) / Loss due to experience adjustments	(141.25)	(281.79)
Return on Plan Assets (Greater) / Less than Discount rate	(18.47)	0.25
Total	57.91	(205.30)

IX. Expense recognised in Statement of Profit and Loss

Current service cost	997.29	881.61
Interest cost	407.4	419.54
Expected return on plan assets	(159.62)	(202.23)
Expense recognised in Statement of Profit and Loss	1245.07	1098.92

X. Sensitivity Analysis of the defined benefit obligation:	As at 31 March 2025	As at 31 March 2024
a) Impact of the change in discount rate		
Present value of obligation at the end of the period	7181.34	6889.50
i) Impact due to increase of 1.00%	(383.54)	(345.15)
ii) Impact due to decrease of 1.00%	429.20	385.39
b) Impact of the change in salary increase		
Present value of obligation at the end of the period	7181.34	6889.50
i) Impact due to increase of 1.00%	407.27	366.45
ii) Impact due to decrease of 1.00%	(369.38)	(332.73)
c) Impact of change in attrition rate		
Present value of obligation at the end of the period	7181.34	6889.50
i) Impact due to increase of 1.00%	16.15	27.67
ii) Impact due to decrease of 1.00%	(18.98)	(31.24)

Notes to the Financial Statements for the year ended 31 March 2025
 (₹ in lakhs, unless otherwise stated)

18 Provisions (Contd.)

XI. The following payments are expected contributions to the defined benefit plan in future years:

Within the next 12 months	1028.10	979.55
2nd following year	767.59	724.08
3rd following year	658.40	565.91
4th following year	555.37	511.50
5th following year	497.37	438.01
Thereafter	3674.50	3324.64

XII. The Company expects to contribute around ₹ 1229.64 lakhs to the funded plans in financial year 2025-26 towards Gratuity Liability.

- Compensated absences

The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the Statement of Profit and Loss for the year is ₹ 549.41 lakhs (31 March 2024: ₹ 389.40 lakhs).

Company assesses the assumptions with the projected long-term plans of growth and prevalent industry standards.

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
19 Deferred tax liabilities (net)		
a) Liabilities		
Depreciation / Amortisation	13146.48	10485.08
Deferred Tax on Right of Use Assets	16566.20	16800.88
Total	29712.68	27285.96
b) Assets		
Allowance for doubtful debts and advances	92.06	110.94
Provision for compensated absences	1712.24	1328.23
Provision for bonus	514.85	415.76
Deferred Tax on Lease Liabilities	19232.86	18711.74
Tax under section 56(2)(x) of The Income Tax Act 1961	383.42	-
Total	21935.43	20566.67
	7777.25	6719.29
20 Trade Payables		
Micro and small enterprises	16.29	17.41
Others	1290.44	1508.28
	1306.73	1525.69

Refer Note 41 for information about credit risk and market risk of trade receivables.

- a)** The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). The disclosure pursuant to the said MSMED Act is as under:

31 March 2025	31 March 2024
---------------	---------------

- | | | |
|--|-------|-------|
| a) The principal amount remaining unpaid to any supplier at the end of the year | 16.29 | 17.41 |
| b) Interest due remaining unpaid to any supplier at the end of the year | - | - |
| c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year | - | - |
| d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 | - | - |
| e) The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006 | - | - |

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
b) Outstanding for following periods from due date of payment		
i. Undisputed MSME	16.29	17.41
- Less than 1 year	16.29	17.41
ii. Undisputed Others	1290.44	1508.28
- Less than 1 year	1288.02	1499.32
- 1 - 2 years	0.05	0.50
- 2 - 3 years	0.03	2.16
- More than 3 years	2.34	6.30
iii. Disputed MSME	-	-
iv. Disputed Others	-	-
21 Other Financial Liabilities		
Interest accrued but not due on borrowings	233.13	103.80
Unclaimed dividends*	10.75	9.96
Employee related liabilities	4929.07	4431.57
Other accrued liabilities	1984.15	1427.55
Payables for capital expenditure	19.60	269.73
	7176.70	6242.61
*There are no amounts due to be transferred to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013, as at the year end.		
22 Other Current Liabilities		
Advance from customers	919.76	1191.63
Other Advances	47.82	62.22
Payables to related parties (refer note 43)	8.25	1.84
Statutory dues	1080.55	936.71
	2056.38	2192.40

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
23 Revenue from operations		
Sale of services		
Goods transport	312533.51	285451.33
Transport of passengers by air	-	82.82
Courier service	1762.34	1607.08
Other operating revenues		
Sale of scrap materials	1798.11	1718.28
Advertisement income	0.84	2.52
	316094.80	288862.03
24 Other income		
Rent income	365.79	328.37
Interest income	5.56	5.54
Profit on Sale of Investments	-	5.27
Dividend income from equity investment designated at FVTPL	0.87	0.70
Interest on income tax refund	4.94	7.89
Profit on sale of Property, plant and equipment (Net)	796.91	263.74
Interest income resulting from fair valuation of security deposits	317.38	173.25
Provision made earlier written back	135.76	-
Miscellaneous income	918.64	1325.06
	2545.85	2109.82
25 Freight, handling and servicing cost		
Lorry hire	17661.57	22439.64
Diesel cost	87054.89	87702.23
Vehicle running, repairs and maintenance (net)	15592.06	12946.09
Stores and spares consumed	7234.96	6921.05
Tyres and flaps	7609.26	6686.35
Bridge and toll charges	24699.00	23094.07
Repairs and maintenance		
Plant and equipment	336.05	806.02
Buildings	1005.77	1006.88
Others	252.87	214.21
Security charges	389.19	328.22
Power	1061.76	971.74
Rent	7547.63	5940.86
Vehicle taxes	2394.09	2196.28
Insurance	2938.59	2393.28
Agency commission	2644.92	2886.92
Hamali charges	21030.86	19576.62
Clearing and forwarding charges	223.80	221.05
Claims	259.04	343.98
	199936.31	196675.49

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
26 Employee benefits expense		
Salaries, wages and bonus	46498.05	41570.40
Contribution to provident and other funds (refer Note 18)	4235.65	3737.64
Gratuity and compensated absences	1794.48	1488.32
Staff welfare expenses	1988.62	1716.54
	54516.80	48512.90
27 Finance costs		
Interest on borrowings	3047.81	2207.91
Interest on security deposit from agents	7.23	10.58
Interest on lease liability	6420.39	5561.92
Other borrowing costs	8.32	6.07
	9483.75	7786.48
28 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (refer note 2)	9429.53	7893.73
Depreciation on right-of-use assets (refer note 2(a))	15921.64	13706.03
Depreciation of investment properties (refer note 3)	2.04	2.04
Amortisation of intangible assets (refer note 4)	9.25	14.50
	25362.46	21616.30
29 Other expenses		
Travelling and conveyance	1608.34	1528.37
Printing and stationery	790.14	864.33
Legal and professional fees	377.28	359.16
Payment to auditors (refer details below)	82.60	82.60
Office expenses	180.25	174.49
Communication costs	508.79	446.83
Advertisement and business promotion	102.02	145.65
Bad debts/advances written off	1.25	34.63
Allowance for doubtful advances and debts	60.73	183.22
Loss/(Gain) of Foreign Exchange	-	(0.41)
Bank charges	87.01	102.10
Donation	2.31	1.91
Directors' sitting fees	23.60	18.17
Miscellaneous expenses	145.12	63.53
Corporate Social Responsibility expenses (refer Note 39)	376.33	324.87
	4345.77	4329.45
Payment to auditors (including taxes)		
As auditor:		
Audit fee	82.60	82.60
	82.60	82.60

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
30 Exceptional Items		
Profit on Sale of Transportation of Passengers by Air Business (refer Note 1 below)	-	48.67
	-	48.67
Notes:		
1) The Company has, during the previous year, executed a Business Transfer Agreement dated 28 July 2023 with a promoter group company for the sale / transfer of its 'Transportation of Passengers by Air' Business on a slump sale basis for an aggregate sale consideration amounting to ₹ 1,700.00 lakhs with an effective date of 31 July 2023. The profit before tax on the sale, amounting to ₹ 48.67 lakhs (net of expenses incurred amounting to ₹ 1.18 lakhs), is recognized as an Exceptional Item.		
31 Tax expenses		
Tax expense on continuing operations		
Current tax expense	5,570.00	1,000.00
Deferred tax	1,072.54	2,055.34
Current tax adjustments pertaining to earlier years	59.73	138.46
Total Tax expense on continuing operations	6702.27	3193.80
Tax expense on Discontinued operations		
Current tax adjustments pertaining to earlier years	-	20.99
Total Tax expense on Discontinued operations	6702.27	3214.79
31.1 Tax reconciliation (for profit and loss)		
Year ended 31 March 2025	Year ended 31 March 2024	
Profit before tax from continuing operations	24995.56	12051.23
Profit before tax from discontinued operations	-	-
Total Profit before income tax expense	24995.56	12051.23
Tax at the rate of 25.168% (PY : 25.168%)	6,290.88	3,033.05
Current tax expense	6290.88	3033.05
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Depreciation	(2636.46)	(3197.06)
Current tax adjustments pertaining to earlier years	59.73	159.45
Donation	0.58	0.48
Corporate Social Responsibility expenses	94.71	81.76
Expense amount for Gratuity transferred to OCI	14.57	(51.67)
Income from house property	10.44	9.94
Profit on sale of investments in Mutual Funds	-	(0.11)
Differential tax rate on capital gains on sale of business divisions	-	(23.62)
Differential tax rate on capital gains on sale of Land	(15.86)	-
Tax paid on differential amount between SDV and consideration	674.81	-
Reversal of April 20 rent provision already offered for income in FY 20-21	-	57.48
Other tax deductions	2208.87	3145.08
Tax expense for the year	6702.27	3214.79

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

31.2 The movement in deferred tax assets and liabilities during the year ended 31 March 2024 and 31 March 2025 are as follows:

Particulars	As at	Credit/(charge)	Credit/	Credit/(charge)	As at
	01 April 2023	in statement of	(charge)	in statement	31 March 2024
	Deferred tax Asset/(Liabilities)	Profit and Loss	directly to equity	of Other comprehensive income	Deferred tax Asset/(Liabilities)
Depreciation / Amortisation	(7575.88)	(2909.20)	-	-	(10485.08)
Allowance for doubtful debts and advances	64.83	46.11	-	-	110.94
Provision for Gratuity, compensated absences and lease equalisation	1090.35	289.55	-	(51.67)	1328.23
Provision for bonus	378.83	36.93	-	-	415.76
Right-of-Use Assets	(11910.10)	(4890.78)	-	-	(16800.88)
Lease Liabilities	13282.21	5429.53			18711.74
Others	57.48	(57.48)	-	-	-
Total	(4612.28)	(2055.34)	-	(51.67)	(6719.29)

Particulars	As at	Credit/(charge)	Credit/	Credit/(charge)	As at
	01 April 2024	in statement of	(charge)	in statement	31 March 2025
	Deferred tax Asset/(Liabilities)	Profit and Loss	directly to equity	of Other comprehensive income	Deferred tax Asset/(Liabilities)
Depreciation / Amortisation	(10485.08)	(2661.41)	-	-	(13146.48)
Allowance for doubtful debts and advances	110.94	(18.88)	-	-	92.06
Provision for Gratuity, compensated absences and lease equalisation	1328.23	369.44	-	14.57	1712.24
Provision for bonus	415.76	99.09	-	-	514.85
Right-of-Use Assets	(16800.88)	234.68	-	-	(16566.20)
Lease Liabilities	18711.74	521.12	-	-	19232.86
Tax under section 56(2)(x) of The Income Tax Act 1961	-	383.42	-	-	383.42
Total	(6719.29)	(1072.54)	-	14.57	(7777.25)

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

32 Earnings per share

The amount considered in ascertaining the Company's earnings per share constitutes the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
Net profit after tax attributable to equity shareholders (for continuing operations)	18293.29	8906.10
Net profit after tax attributable to equity shareholders (for discontinued operations)	-	(20.99)
Net profit after tax attributable to equity shareholders (for continuing and discontinued operations)	18293.29	8885.11
Movement in Equity Share Capital	Number	Number
Opening balance	87468495	88343495
Add: Issue of share capital	-	-
Less: Buyback of shares during the year (refer note 38)	-	875,000
Closing balance	87468495	87468495
Number of shares outstanding	87468495	87468495
Weighted average number of shares outstanding during the year – Basic and Diluted	87468495	87509137
Basic and Diluted earnings per share (₹)		
- from continuing operations	20.91	10.18
- from discontinued operations	-	(0.02)
- from continuing and discontinued operations	20.91	10.16
Nominal value per equity share (₹)	10.00	10.00

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
33 Assets Pledged as security		
Current Assets		
Financial Assets		
<i>Floating Charge</i>		
Trade receivables	9287.40	8848.74
	9287.40	8848.74
Non Financial Assets		
<i>Floating Charge</i>		
Inventories	4290.26	4119.10
	13577.66	12967.84
Non Current Assets		
Land	22390.00	488.90
Building	5699.00	344.41
Vehicles	23749.00	25139.40
	51838.00	25972.71
Total assets Pledged as security	65415.66	38940.55

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

34 Contingent Liabilities not provided for

Particulars	As at 31 March 2025	As at 31 March 2024
A] Claims against the Company not acknowledged as Debts		
Income tax matters	5019.68	1681.62
Customs duty (refer note (b) below)	1569.02	3.84
Service tax matters	639.40	639.40
Goods and services tax	407.52	414.62
Additional bonus that may be payable	202.00	202.00
	Total (A)	7837.62
		2941.48
B] Disputed claims pending in Courts	355.11	287.65
C] Guarantees given on behalf of the Company by banks	4.00	4.00
D] Other contractual matters		
(i) Claims not received against goods transport consignments	57.93	48.21
	Total	8254.66
		3281.34

E] The Department of Stamps and Registration, Government of Karnataka had issued a notice towards stamp duty payable on acknowledgment of delivery of a letter, article, document, parcel, package or consignment, given by the Company to the sender of such letter, article, document, etc. in accordance with the Karnataka Stamp Act, 1957 (Article- 1 (ii) of the Schedule). The Company has challenged the constitutional validity of the said provision by way of Writ Petition before the Honourable High Court of Karnataka, Circuit Bench at Dharwad. The Writ Petition came-up for hearing and subject to deposit of a sum of ₹ 25 lakhs, the Authorities have been directed not to take any coercive action and also to determine the Stamp Duty liability. The Company has paid the deposit of ₹ 25 lakhs, disclosed under Other Non-current assets in the books of account, but the quantum of Stamp Duty payable is yet to be arrived at by the Department. In the opinion of the Management, no financial liability is expected to arise in this regard. The financial liability that may ultimately devolve upon the Company is currently not ascertainable and as such no amount has been included as contingent liability towards the same.

Notes:-

- The Company is in appeal against demands on Income Tax, Customs duty, service tax, goods and services tax.
- The Company had received a Show Cause-cum-Demand Notice from the Customs Department amounting to ₹1,569.02 lakhs, citing alleged violations related to the Non-Scheduled Air Transport Service and Customs Duty on aircraft imports. In response, the Company had deposited ₹688.05 lakhs, including interest, under protest. In the previous year, CESTAT (Ahmedabad) ruled in the Company's Favor, and accordingly, the deposited amount was refunded on June 28, 2023. Following this, the Company has made an application seeking interest on the refunded amount for the period it remained under protest.
- During the year, the Customs Department filed a civil application with the Gujarat High Court on October 24, 2024, challenging the CESTAT (Ahmedabad) order and seeking condonation of delay. The High Court issued a notice on November 18, 2024, received by the Company on December 10, 2024. The Company's legal counsel is reviewing the matter and preparing an appropriate response to safeguard its interests.
- The above figures for contingent liabilities do not include amounts towards certain additional penalties/interest that may devolve on the Company in the event of an adverse outcome as the same is subjective and not capable of being presently quantified.
- Future cash outflows in respect of (A) above can be determined only on receipt of judgments/decisions pending with various forums/authorities.
- The amount disclosed in respect of (B) above represents the estimated liability based on independent legal opinion obtained by the Management in relation to the various cases of Motor Vehicle Accidents, Consumer disputes, Workmen compensation, etc. filed against the Company.

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

35 The Honourable Supreme Court, has passed a judgement on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Management, based on legal advice obtained, is of the view that the principles enumerated in the judgement is not applicable to the Company considering the nature of allowances paid and the manner in which it is paid on selective basis to the employees and workers of the Company.

36 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 10585.98 lakhs net of advances of ₹ 701.38 lakhs. (31 March 2024: ₹ 43560.92 lakhs, net of advances of ₹ 1454.72 lakhs)

37 Certified Emission Reductions Credits

In earlier years, the Company had recognised income by trading complete amount of possible Green House Gas (GHG) emission reductions generated by its Windmill project. The Company's Clean Development Mechanism (CDM) project is registered with the United Nations Framework Convention on Climate Change (UNFCCC) and necessary approvals for the trade of carbon credits have been procured.

As on 31 March 2025, the Company has a UNFCCC certified balance of 74,047 Certified Emission Reductions (CERs) units (net of 2% CDM administration fees) (as on 31 March 2024: 74,047 CERs units) for the period 1 January 2013 to January 2018.

38 Buyback of Equity Shares

The Board of Directors at its meeting held on 30 January 2023 had approved the proposal to buy back up to 8,75,000 fully paid up equity shares having a face value of ₹ 10 each representing up to 0.99% of the total number of equity shares in the paid-up equity share capital of the Company, at a price of ₹ 700 per equity share payable in cash for a maximum amount not exceeding ₹ 6,125 lakhs (excluding transaction costs and other incidental expenses), representing 9.44% of the aggregate of the fully paid-up equity share capital and free reserves of the Company, as per the latest audited financial statements of the Company i.e. for the financial year ended 31 March 2022, being within the 10% limit of paid-up share capital and free reserves (including securities premium account) as per the said audited financial statements. The Buyback was undertaken through the Tender Offer route in accordance with the provisions contained in the SEBI (Buy-Back of Securities) Regulations, 2018, as amended and accordingly 8,75,000 equity shares were extinguished on 17 April 2023.

39 Contribution towards Corporate Social Responsibility (CSR)

	31 March 2025	31 March 2024
Amount required to be spent by the company during the year	376.33	337.68
Less: Excess amounts spent in earlier years	(36.82)	(12.81)
Net amount required to be spent by the company during the year	339.51	324.87
Amount of expenditure incurred	350.62	361.69
For CSR activities other than acquisition / construction of assets		
- In Cash	350.62	361.69
- Yet to be paid	-	-
	350.62	361.69
(Excess) /Shortfall at the end of the year*	(11.11)	(36.82)
Details of related party transactions, e.g., contribution to a trust / society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (Ind-AS) 24, Related Party Disclosures.	-	-
Corporate Social Responsibility expenses in excess of obligation of current year, to be set off against the required 2% CSR expenditure upto the immediately succeeding three financial years:		
- upto the financial year ended March 31, 2025	-	-
- upto the financial year ended March 31, 2026	11.11	36.82
- upto the financial year ended March 31, 2027	-	-
Amount not spent during the year	-	-

Notes to the Financial Statements for the year ended 31 March 2024

(₹ in lakhs, unless otherwise stated)

40 Leases

Particulars	As at 31 March 2025	As at 31 March 2024
The Balance sheet discloses the following amounts relating to leases:		
Right-of-use assets		
Buildings	68727.03	70109.99
	68727.03	70109.99
Lease liabilities		
Current	17494.20	17253.21
Non-current	60369.22	58451.76
	77863.42	75704.97

Amounts recognised in statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation charge on Right-of-use assets		
Buildings	15921.64	13706.03
Interest expense included in finance cost	6420.39	5561.92
Expense relating to short-term leases	7547.63	5940.86
Total cash outflow for leases during current financial year (excluding short term leases)	18800.62	19470.99
Additions to the right of use assets	18877.54	39028.12

Notes to the Financial Statements for the year ended 31 March 2024

(₹ in lakhs, unless otherwise stated)

41 Fair value measurements

Financial instruments by category:

All financial assets and financial liabilities of the Company are under the amortised cost measurement category at each of the reporting dates except Equity investments which are recognised and measured at fair value through profit or loss.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's financial assets and financial liabilities

Category	31 March 2025			
	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities				
Borrowings (including current maturities of long-term debt)	44711.76	-	-	44711.76
Lease Liabilities	77863.42	-	-	77863.42
Other financial liabilities	1286.11	-	-	1286.11
Financial assets				
Non-current security deposits	4083.37	-	-	4083.37
Other financial assets	186.94	-	-	186.94
FVTPL financial investments	5.50	-	-	5.50

Category	31 March 2024			
	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities				
Borrowings (including current maturities of long-term debt)	24012.23	-	-	24012.23
Lease Liabilities	75704.97	-	-	75704.97
Other financial liabilities	1227.00	-	-	1227.00
Financial assets				
Non-current Security deposits	4425.09	-	-	4425.09
Other financial assets	154.91	-	-	154.91
FVTPL financial investments	5.25	-	-	5.25

- During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.
- The carrying amounts of Security deposits (current), trade receivables, other current financial assets, cash and cash equivalents, current fixed deposits with banks, current borrowings, trade payables and other current financial liabilities are considered to be approximately equal to their fair value, since those are current in nature.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

- The fair values computed above for assets measured at amortised cost are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of indirectly observable inputs.

Valuation process

The Company evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available.

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

41 Fair value measurements (Contd.)

Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments.

The Company is exposed to market risk, credit risk and liquidity risk. Company's senior management oversees the management of these risks. It is Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair value or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of change in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

I. Interest rate sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company does not have significant exposure to the risk of changes in market interest rates as Company's long-term debt obligations is at fixed interest rates.

II. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. However, the Company is not exposed to foreign currency risk since it has no unhedged exposure as at reporting date.

b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, lease liabilities, trade payables and other financial liabilities.

Liquidity risk management

Company's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of Company's financial liabilities based on contractual undiscounted payments.

As at 31 March 2025

Particulars	On demand	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings	-	8108.51	8913.09	8325.10	19598.19	44944.89
Lease liabilities	-	18891.24	16482.19	14538.78	67753.22	117665.43
Other financial liabilities	-	6943.57	1286.11	-	-	8229.68
Trade payables	-			-	-	-
Undisputed:						
- MSME	-	16.29	-	-	-	16.29
- Others	-	1290.44	-	-	-	1290.44
Disputed		-	-	-	-	-
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Notes to the Financial Statements for the year ended 31 March 2024

(₹ in lakhs, unless otherwise stated)

41 Fair value measurements (Contd.)

As at 31 March 2024

Particulars	On demand	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings	3915.67	5811.77	6245.69	5622.52	6436.05	28031.70
Lease liabilities	-	16894.15	14899.22	12728.45	67917.02	112438.84
Other financial liabilities	-	6138.81	1227.00	-	-	7365.81
Trade payables	-					
Undisputed:	-					
- MSME	-	17.41	-	-	-	17.41
- Others	-	1508.28	-	-	-	1508.28
Disputed	-	-	-	-	-	-
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

c) Credit risk

Credit risk arises from cash and bank balances, current and non-current financial assets, trade receivables and other financial assets carried at amortised cost.

Credit risk management

To manage credit risk, the Company periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company uses a provision margin to compute the expected credit loss allowance for trade receivable.

Bank balances are held with only high rated banks. Trade receivables are generally recovered within the credit period. Accordingly, the provision for impairment is considered immaterial. Also, trade receivables are monitored on periodic basis for any non-recoverability of the dues.

41 Fair value measurements
Trade receivables:

The ageing of trade receivables and expected credit loss analysis on these trade receivables is given in the table below:

Balance as at 31 March 2025	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good – which have significant increase in credit risk. – credit impaired	4899.51 1.25 -	4387.89 1.10 23.15	- 0.96 53.31	- 3.63 -	- -	- 2.27	9287.40 3.31 82.36
Disputed Trade Receivables – considered good – which have significant increase in credit risk – credit impaired	- - -	- - -	- - -	- - -	- - -	- - 138.00	- - 138.00
Balance as at 31 March 2024	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good – which have significant increase in credit risk. – credit impaired	4336.07 11.89 -	4496.89 19.89 -	15.78 31.57 -	- - -	- - -	- - 13.85	8848.74 63.35 13.85
Disputed Trade Receivables – considered good – which have significant increase in credit risk – credit impaired	- - -	- - -	- - -	- - -	- - -	- - 119.09	- - 119.09

Notes to the Financial Statements for the year ended 31 March 2024
 (₹ in lakhs, unless otherwise stated)

41 Fair value measurements (Contd.)

The expected credit loss analysis on these trade receivables is given in below table:

Particulars	Amount
As at 1 April 2023	148.04
Provision for doubtful debts	89.47
Bad debts	41.22
As at 31 March 2024	196.29
Provision for doubtful debts	28.63
Bad debts	1.25
As at 31 March 2025	223.67

42 Capital management

42.1 Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, Company may adjust the amount of dividends paid to shareholders.

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings #	44944.89	28031.70
Less: Cash and cash equivalents	(5313.04)	(1826.08)
Net debt	39631.85	26205.62
Equity	108455.56	94579.03
Capital and net debt	148087.41	120784.65
Gearing ratio	26.76%	21.70%

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

42.2 Net debt reconciliation

Particulars	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents	5313.04	1826.08
Non-current borrowings (including current maturities)	(44711.76)	(24012.23)
Current borrowings	-	(3915.67)
Lease liabilities	(77863.42)	(75704.97)
Interest payable	(233.13)	(103.80)
Net Debt	(117495.27)	(101910.59)

Notes to the Financial Statements for the year ended 31 March 2024

(₹ in lakhs, unless otherwise stated)

42 Capital Management

42.2 Net debt reconciliation (Contd.)

Particulars	Cash and cash equivalents	Non-current borrowings (including current maturities)	Current borrowings	Lease liabilities	Interest Payable	Total
Net debt as on 31 March 2023	1150.97	(13538.43)	(4360.84)	(54062.61)	(45.82)	(70856.73)
Non cash movement: Acquisitions / disposals / interest	-	-	-	(41113.35)	-	(41113.35)
Bank Balances in Overdraft Accounts reclassified for Cash Flow purpose	675.11	(10473.80)	435.04	19470.99	-	10107.344
Finance cost	-	-	10.13	-	-	10.13
Interest paid	-	-	-	-	(2224.56)	(2224.56)
Net debt as on 31 March 2024	1826.08	(24012.23)	(3915.67)	(75704.97)	(103.80)	(101910.59)
Non cash movement: Acquisitions / disposals / interest	-	-	-	(20959.07)	-	(20959.07)
Cash flows	3486.96	(20699.53)	3915.67	18800.62	-	5503.72
Bank Balances in Overdraft Accounts reclassified for Cash Flow purpose	-	-	-	-	-	-
Finance cost	-	-	-	-	3063.36	(3063.36)
Interest paid	-	-	-	-	2934.03	2934.03
Net debt as on 31 March 2025	5313.04	(44711.76)	-	(77863.42)	(233.13)	(117495.27)

42.3 Dividends

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Dividend on equity shares not recognised as liability: Proposed final dividend for the year ended 31 March 2025 of ₹ 10 (31 March 2024 - ₹ Nil) per fully paid share	8746.85	-

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

43 Related party disclosures

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

a) Names of related parties and description of relationship:

Key Management Personnel (KMP) and their relatives	1. Dr. Vijay Sankeshwar (Chairman & Managing Director)
	2. Dr. Anand Sankeshwar (Managing Director)
	3. Mr. Kalliveerappa Umesh (Executive Director) (upto 31 December 2023)
	4. Mr. Ramanand Laxminarayan Bhat (Executive Director)
	5. Mrs. Vani Sankeshwar (President) - Relative of Director
	6. Mrs. Lalitha Sankeshwar - Relative of Director
	7. Mrs. Bharati Holkunde - Relative of Director
	8. Shiva A Sankeshwar - Relative of Director
	9. Mr. Sunil Nalavadi (Chief Financial Officer)
	10. Mr. Aniruddha Phadnavis (Company Secretary & Compliance Officer)
Non Executive Directors and Independent Directors (with whom transactions have taken place)	1. Dr. Prabhakar Kore (upto 31 March 2024)
	2. Mr. Gurudas Narekuli (upto 31 March 2024)
	3. Dr. Raghottam Akamanchi
	4. Mrs. Medha Pawar
	5. Mr. Shankarasa Ladwa (upto 18 February 2025)
	6. Dr. Anand Pandurangi ((upto 18 February 2025)
	7. Dr. Ashok Shettar
	8. Shiva Sankeshwar (w.e.f. 18 January 2024)
	9. Mrs. Smriti Bellad (upto 2 November 2023)
	10. Dr. Shailaja Ambli (w.e.f. 18 January 2024)
	11. Mr. Shantilal Jain (w.e.f. 7 August 2023)
	12. Mr. Virupaxagouda Patil (w.e.f. 1 April 2024)
	13. Mr. Vinay Javali (w.e.f. 1 April 2024)
	14. Dr. D. V. Guruprasad (w.e.f. 19 February 2025)
	15. Mr. Shankar Pinge (w.e.f. 19 February 2025)
Enterprises in which KMP or their relative have significant influence (with whom transactions have taken place)	1. Aradhana Trust
	2. Ayyappa Bhaktha Vrunda Trust
	3. Sankeshwar Ventures (India) Private Limited
	4. Sankeshwar Printers Private Limited
	5. VRL Media Private Limited
	6. VRL Employees Group Gratuity Trust
	7. VRL Foundation
	8. Vijayanand Infotech Private Limited
	9. Hyperkonnnect Technologies Private Limited
	10. Vijayanand Logistics Private Limited
	11. Welldone Cinemas LLP
	12. Vijayanand Travels Private Limited.
	13. Vijayanand Foods Private Limited
	14. VRL Steel Private Limited
	15. Vijayakant Dairy and Food Products Limited

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

43 Related party disclosures (Contd.)

b) Disclosures of transactions between the Company and its related parties, along with outstanding balances as at year end

Nature of transactions	Name of the Party	Nature of relationship	Year ended 31 March 2025	Year ended 31 March 2024
Income				
Rent	Sankeshwar Ventures (India) Private Limited	Enterprise in which KMP or their relative have significant influence	0.66	0.67
	VRL Media Private Limited		216.94	185.37
	Vijayanand Travels Private Limited		5.48	6.34
	Vijayakant Dairy and Food Products Limited		2.71	-
Freight	Sankeshwar Ventures (India) Private Limited	Enterprise in which KMP or their relative have significant influence	19.45	24.74
	Sankeshwar Printers Private Limited		3.15	1.81
	VRL Media Private Limited		178.04	131.66
	Vijayanand Travels Private Limited		1.65	-
Sale of Spares and services	Vijayakant Dairy and Food Products Limited	Enterprise in which KMP or their relative have significant influence	141.39	-
	VRL Media Private Limited		0.94	-
	Vijayanand Travels Private Limited		10.39	-
Reimbursements	VRL Media Private Limited	Enterprise in which KMP or their relative have significant influence	0.86	0.84
Sale of Transportation of Passengers by Air Operations	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	-	1700.00
Sale of PPE	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	1488.00	-
Other Income	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	3.09	3.41
Advertisement	VRL Media Private Limited	Enterprise in which KMP or their relative have significant influence	0.87	0.72
Transport of Passengers by Air	Dr. Anand Sankeshwar	Key Management Personnel (KMP) and their relatives	-	11.96
		Total	2073.62	2067.52

Expenditure/Payments

Nature of transactions	Name of the Party	Nature of relationship	Year ended 31 March 2025	Year ended 31 March 2024
Remuneration and leave encashment paid	Dr. Vijay Sankeshwar	KMP	324.00	324.00
	Dr. Anand Sankeshwar	KMP	360.00	300.00
	Mr. Sunil Nalavadi	KMP	180.04	162.04
	Mr. Aniruddha Phadnavis	KMP	161.44	148.54
	Mr. Ramanand Laxminarayan Bhat	KMP	180.04	162.04
	Mr. Kalliveerappa Umesh	KMP	-	135.04
Commission	Dr. Vijay Sankeshwar	KMP	136.00	64.50
Director Sitting fees (excluding taxes)	Dr. Prabhakar Kore	Independent Director	-	0.60
	Mrs. Medha Pawar	Independent Director	3.40	3.75
	Mr. Gurudas Narekuli	Independent Director	-	1.75
	Mrs. Smriti Bellad	Independent Director	-	0.15
	Mr. Shankarasa Ladwa	Independent Director	3.80	3.40
	Dr. Anand Pandurangi	Independent Director	1.40	1.30
	Dr. Shailaja Ambli	Independent Director	1.00	0.20
	Mr. Shantilal Jain	Independent Director	2.80	0.95
	Dr. Ashok Shettar	Non Executive Director	1.40	1.30
	Dr. Raghottam Akamanchi	Non Executive Director	2.60	1.80
	Mr. Shiva Sankeshwar	Non Executive Director	1.00	0.20
	Mr. Virupaxagouda Patil	Non Executive Director	0.80	-
	Mr. Vinay Javali	Non Executive Director	1.80	-
Printing and stationery	Sankeshwar Printers Private Limited	Enterprise in which KMP or their relative have significant influence	87.37	63.13
Advertisement expenses	VRL Media Private Limited	Enterprise in which KMP or their relative have significant influence	5.09	10.83
Beverages Expenses	Sankeshwar Ventures (India) Private Limited	Enterprise in which KMP or their relative have significant influence	0.65	0.22
Directors Travelling Expense	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	112.88	149.19
Purchase of PPE	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	-	59.41
Rent	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	13.12	7.39
Courier Hire Charges	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	79.28	80.98
Lorry Hire Charges	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	0.92	-

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

43 Related party disclosures (Contd.)

Dividend paid	Dr.Vijay Sankeshwar	KMP	1239.03	1239.03
	Dr. Anand Sankeshwar	KMP	1374.54	1549.54
	Mrs.Vani Sankeshwar	Relative of KMP	19.82	19.82
	Mrs. Lalitha Sankeshwar	Relative of KMP	1.04	1.04
	Mrs. Bharati Holkunde	Relative of KMP	0.09	0.09
	Mr. Ramanand Laxminarayan Bhat	KMP	0.10	0.10
	Mr. Kalliveerappa Umesh	KMP	-	0.09
	Total		4266.51	4471.96

Balance as at year end:

Nature of balance	Name of the Party	Nature of relationship	As at 31 March 2025	As at 31 March 2024
Assets:				
Receivables	Sankeshwar Ventures (India) Private Limited	Enterprise in which KMP or their relative have significant influence	0.83	1.40
	Sankeshwar Printers Private Limited		0.05	0.05
	Vijayanand Travels Private Limited		2.32	2.05
	VRL Media Private Limited		41.86	22.89
	Vijayakant Dairy and Food Products Limited		54.68	-
	Total		99.74	26.39

Liabilities:

Payables	Vijayanand Travels Private Limited	Enterprise in which KMP or their relative have significant influence	10.52	1.84
Remuneration / Commission payable	Dr. Vijay Sankeshwar	KMP	117.65	65.91
	Mr. Anand Sankeshwar	KMP	18.65	15.73
	Mr. Sunil Nalavadi	KMP	6.72	5.66
	Mr. Aniruddha Phadnavis	KMP	6.12	8.85
	Mr. Kalliveerappa Umesh	KMP	-	13.50
	Mr. Ramanand Laxminarayan Bhat	KMP	9.95	8.98
	Total		169.61	120.47

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

Terms and conditions of transactions with related parties :

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs vide cash/bank payment. There have been no guarantees received or provided for any related party receivables or payables. For the year ended 31 March 2025, Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2024: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Compensation of key management personnel of the Company

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Short-term employee benefits:		
- Salaries including bonuses	1312.58	1275.70

Gratuity and Compensated Absences are computed for all the employees in aggregate, the amount relating to Key Managerial Personnel cannot be individually identified.

Notes to the Financial Statements for the year ended 31 March 2024

(₹ in lakhs, unless otherwise stated)

44 Analytical Ratios

Ratio analysis and its elements

Particulars	As at March 31, 2025	As at March 31, 2024	Change %	Reason for more than 25% change
Current Ratio	0.64	0.54	19.34%	
Debt - equity Ratio	1.13	1.10	3.24%	
Debt Service Coverage Ratio	0.40	0.34	17.65%	
Return on Equity	18.02%	9.25%	94.86%	Due to Improvement in profits for the year
Trade Receivables turnover ratio	30.22	29.35	2.97%	
Trade payables turnover ratio	35.34	28.71	23.09%	
Net capital turnover ratio	(22.73)	(16.26)	39.79%	Due to Improvement in Trade Receivables, Cash and Cash equivalents & Other Current Assets more than proportionate increase in turnover
Net Profit Ratio	5.79%	3.08%	87.71%	Due to Improvement in profits for the year
Return on Capital employed	14.42%	9.70%	48.72%	Due to Improvement in profits for the year
Return on Investment	7.32%	8.01%	(8.70%)	

Formulae used for Calculation of Key Ratios and Financial indicators:

Current Ratio = Current Assets / Current Liabilities

Debt – Equity Ratio = (Total Borrowings + Total Lease Liabilities + Accrued Interest Payable) / Shareholders' Equity

Debt Service Coverage Ratio = EBIDA / (Total Borrowings + Total Lease Liabilities + Accrued Interest Payable)

Return on Equity = Profit after Tax / Average Shareholder's Equity

Trade Receivables turnover ratio = Net Credit Sales / Average Trade Receivables

Trade Payables turnover ratio = Net Credit Purchases / Average Trade Receivables

Net capital turnover ratio = Revenue from Operations / (Current Assets - Current Liabilities)

Net Profit Ratio = Profit after tax / Revenue from Operations

Return on Equity Ratio= Net Profits after taxes /Average Shareholder's Equity

Return on capital employed (ROCE) = Earning before interest and taxes / Capital Employed

Capital Employed = Tangible Net worth + Total Borrowings + Total Lease Liabilities + Accrued Interest Payable + Deferred Tax Liabilities

Return on investment = Income generated from invested funds (including capital gains / losses, net of taxes) / Average value of investments

Notes to the Financial Statements for the year ended 31 March 2025

(₹ in lakhs, unless otherwise stated)

45 Segment Reporting

The Company is engaged only in the Goods Transport Business which, in the context of Indian Accounting Standard 108 'Operating Segments' and in the opinion of the Chief Operating Decision-maker, constitutes a single reportable business segment as on 31 March 2025.

The Company offers services for the transportation of goods across India using a range of road transportation solutions to its customers, including less than full truck load and full truck load. Under this segment, the Company provides courier services for transportation of small parcels and documents using range of multi-modal solutions.

Other Information

Other Information

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Segment revenue by location of customers:		
a) Domestic	316094.80	288862.03
b) Overseas	-	-
Total	316094.80	288862.03
Cost incurred on acquisition of Capital items (including capital advances):		
a) Domestic	44635.58	28739.18
b) Overseas	-	-
Total	44635.58	28739.18
The carrying amount of non-current operating assets by location of assets		
a) Domestic	233321.75	200515.94
b) Overseas	-	-
Total	233321.75	200515.94

Considering the nature of business of the Company in which it operates, the Company deals with various customers. Consequently, none of the customer contribute materially to the revenue of the Company.

46 Ind AS 115 Disclosure

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
a) Contract Balances		
Trade Receivables (refer Note 9)	9287.40	8848.74
Contract Liabilities (refer Note 22)	919.76	1191.63

Note: Contract Liabilities comprise advances received from customers for sale of services and products for which the Company has contractual obligations towards customers as on the reporting date.

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
b) Reconciliation of revenue recognised in the Statement of Profit and Loss with the contracted price		
Revenue as per contracted price	319524.89	292222.50
Adjustments:		
Credit notes	(2879.80)	(2842.43)
Discount	(550.29)	(518.04)
Revenue from contract with customers	316094.80	288862.03

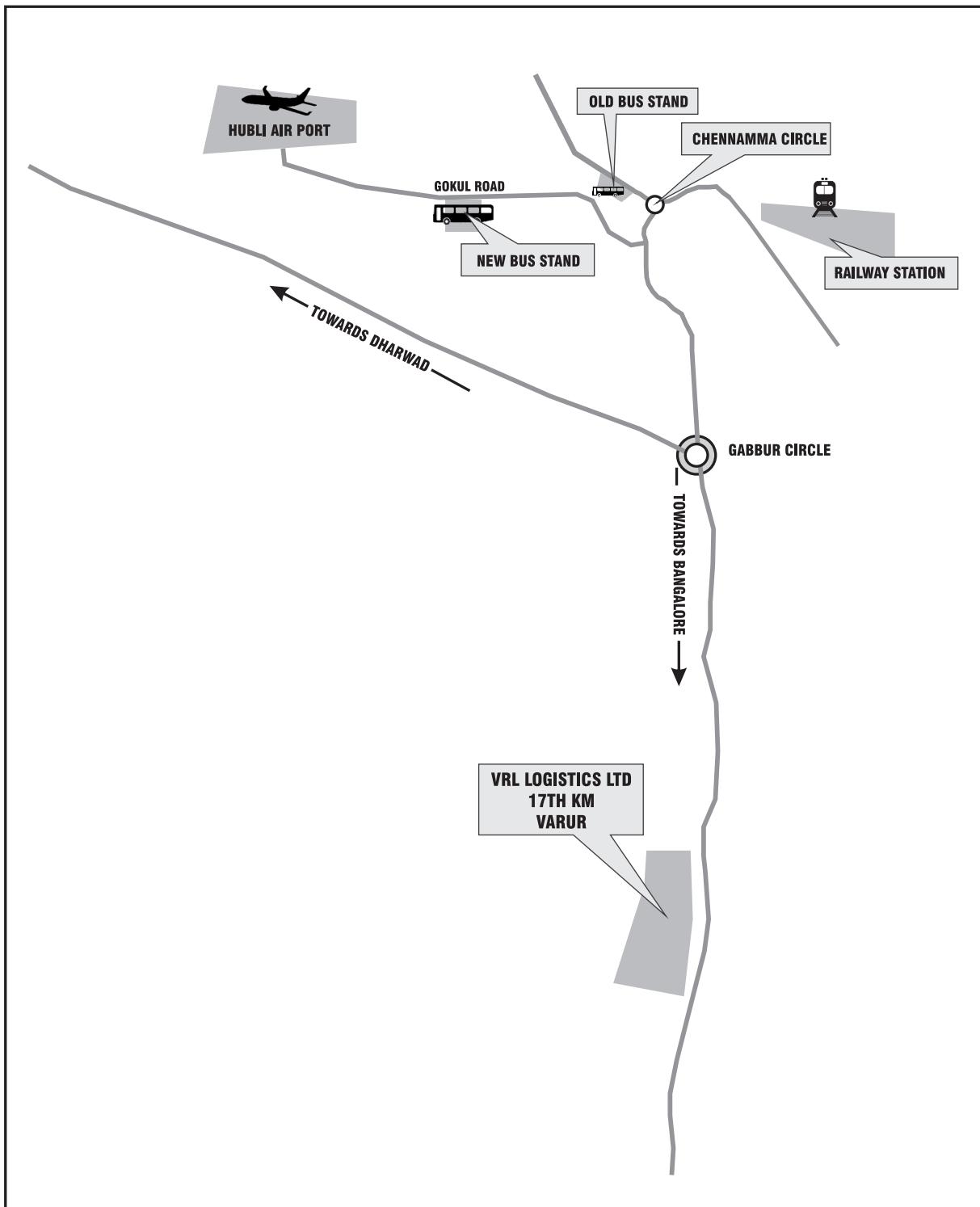
47 Subsequent Events:

There are no subsequent events that would require adjustments or disclosures in the financial statements as at the Balance Sheet date.

50 General Information

- a) Trade Receivables, Trade Payables and Advances from Customers / to Vendors balances are subject to balance confirmation and reconciliation, if any.
- b) Additional Regulatory information
 - i. The Company does not have any Immovable Property whose title deeds are not held in the name of the Company, except for the cases mentioned in note no. 2(a)
 - ii. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
 - iii. The Company has not granted any loans or advances in the nature of loans to promoters , directors, KMPs and related parties (as defined under Companies Act , 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
 - iv. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
 - v. The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
 - vi. The Company does not have any transactions with struck-off companies.
 - vii. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
 - viii. The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall:
 - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - ix. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), Or
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - x. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
 - xi. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
 - xii. The Company has utilised funds raised from issue of securities or borrowings from banks and financial institutions for the specific purposes for which they were issued/taken.
 - xiii. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

Route Map to reach the Registered Office of the Company (AGM Venue)



THINK LOGISTICS TRUST VRL



VRL LOGISTICS LIMITED

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