

GATI LIMITED

Regd. & Head Office: 1-7-293, M G Road, Secunderabad 500 003.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER, 2007

(Rs. in Lakhs)

Particulars	Quarter Ended		Year Ended
	30.09.07 Unaudited	30.09.06 Unaudited	30.06.2007 Audited
Net Sales/Income from Operations (Notes 1)	11707	13316	45737
Other Income	39	37	366
Total Income	11746	13353	46103
Expenditure:			
- Cost of goods sold	0	2582	0
- Freight Hire charges	6131	5492	23592
- Operating expenses	1244	1401	6128
- Employee Cost	1644	1427	5777
- Administrative Expenses	1190	1157	4784
- Repairs and maintenance expenses	128	137	637
- Depreciation	311	253	1110
Total Expenditure	10648	12449	42028
Interest	184	125	577
Profit from Ordinary Activities before Tax and Extraordinary items	914	779	3498
Extraordinary items	---	--	297
Profit before Tax	914	779	3201
Tax Expenses :			
- Current	237	204	780
- Deferred	7	-5	24
- Fringe Benefit Tax	16	18	61
Net Profit	654	562	2336
Paid up Equity Share Capital (Face value of Rs.2/- per Share)	1509	1417	1447
Reserves excluding revaluation reserve	---	--	15606
Earning Per Share			
EPS Basic (in Rs.) (Face value of Rs.2/- per share) (incl.Extra-Ordinary item)	0.89	0.79	3.28
EPS Diluted in (in Rs.) (Face value of Rs.2/- per share) (incl.Extra-Ordinary item)	0.86	0.73	2.92
EPS Basin (in Rs.) (Face value of Rs.2/- per share) (excl Extra-Ordinary item)	0.89	0.79	3.71
EPS Basic (in Rs.) (Face value of Rs.2/- per share) (excl Extra-Ordinary item)	0.86	0.73	3.3
Public Shareholding			
- Number of Equity shares of Rs.2/-each	37736775	35635790	36165590
- Percentage of shareholding	50.00	50.28	49.96

Notes:

- 1 The figures for the corresponding previous quarter ended 30th September 2006 include those relating to fuel stations which had since been transferred to four wholly owned subsidiaries and hence the figures are not comparable with the figures of the current quarter. However on a comparative basis the income has increased by 9.50 % during the quarter.
- 2 The paid-up Equity Share Capital of the Company has been increased during this quarter from Rs.14,47,71,090/- to Rs.15,09,43,460/- on account of the following:
 - 3 a) Issue of 15,15,000 Equity Shares of Rs.2/- each at a premium of Rs.82.61 per share to Mahendra Investment Advisors Private Limited, one of the promoters of the Company on conversion of 15,15,000 convertible warrants on 01.09.2007.
 - 4 b) Issue of 15,71,185 Equity Shares of Rs.2/- each at a premium of Rs.82.61 per share to The Infrastructure Fund of India LLC ,an overseas Corporate Bodies on conversion of 15,71,185 convertible warrants on 01.09.2007.
 - 5 c) The above Equity Shares rank pari passu with the existing Equity Shares and accordingly are entitled to the equity dividend for the year ended 30th June 2007.
- 6 The Company has entered into a Share Purchase Agreement with Kausar India Ltd, a listed company engaged in Refrigerated Cargo Transport business for acquisition of 52.96% of its Paid-up Equity Capital and has advanced / deposited in an Escrow account with the Escrow agent the full purchase consideration. The Company has also filed an open letter of offer with SEBI for acquisition of additional Equity upto 22% of the Paid-up Equity Capital of Kausar India Ltd. on 12th September 2007.
- 7 A wholly owned subsidiary Gati Skyways Ltd is proposed to be incorporated for air cargo business
- 8 The proceeds from Preferential Issue and FCCBs are being deployed in accordance with the terms of the issue.
- 9 The Shareholders at the Annual General Meeting held on 13th October 2007 have approved the issue of 17,55,720 Equity Shares under Employee Stock Option Scheme 2007.
- 10 The figures of the previous year / quarter have been re-grouped to be in conformity with the new format prescribed under Clause 41 of the Listing Agreement which became effective from 1st July, 2007.
- 11 A limited review of the above financial results has been carried out by the Statutory Auditors.
- 12 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at the Meeting held on 13th October, 2007.
- 13 Two complaints received from investors during the quarter have been resolved. There was no complaint outstanding at the beginning or at the end of the quarter.

By Order of the Board
for GATI LIMITED

Place: Secunderabad
Date :13thOctober,2007

Mahendra Agarwal
Managing Director & CEO

Segment-wise Revenue, Results and Capital Employed

(Rs. in Lakhs)

Particulars	Quarter Ended		Year Ended
	30.09.07	30.09.06	30.06.2007
	Unaudited	Unaudited	Audited
1. Segment Revenue (Net Sales/ Income)			
a) Express Distribution & Supply Chain	10617	9130	39418
b) Coast to Coast (Shipping)	1105	1575	6356
c) Fuel Stations	--	2619	--
Total	11722	13324	45774
Less: Inter-Segment Revenue	15	8	37
Net Sales / Income from Operations	11707	13316	45737
2. Segment Results			
a) Express Distribution & Supply Chain	1226	874	4313
b) Coast to Coast (Shipping)	181	253	1022
c) Fuel Stations	--	27	--
Total	1407	1154	5335
Less: (1) Interest	184	125	577
(2) Other unallocable expenditure net of unallocable income	309	250	1558
Total Profit before Tax	914	779	3200
3. Capital Employed			
a) Express Distribution & Supply Chain	9859	7943	7569
b) Coast to Coast (Shipping)	6292	4493	5942
c) Fuel Stations	--	266	--
d) Unallocable Corporate Assets	5703	3810	4237
TOTAL	21854	16512	17748