

UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED 30th SEPTEMBER, 2011.



Regd. & Head Office: GATI LIMITED
1-7-293, M G Road, Secunderabad 500 003.
Fax No.: 040-27894284
e-mail: investor.services@gati.com

(₹ in Lakhs)

Particulars	Quarter Ended		Year Ended
	30.09.2011	30.09.2010	Audited 30.06.2011
Income from Operations	23,489	22,500	90,012
Other Operating Income	143	146	545
Total Income	23,632	22,646	90,557
Expenditure:			
- Operating Expenses	15,990	15,562	61,128
- Employees Cost	2,665	2,519	10,582
- Administrative Expenses	2,021	2,071	8,535
- Repairs & Maintenance	206	265	1,029
- Depreciation	830	535	2,161
Total	21,712	20,951	83,435
Profit from Operations before Other Income, Interest and Tax	1,921	1,695	7,122
Other Income	6	10	18
Interest (Net)	1,233	1,093	4,844
Profit Before Tax	694	612	2,295
Tax Expense	311	237	865
Net Profit for the period / year	383	375	1,430
Paid up Equity Share Capital (Face Value of the Share ₹ 2/- each)	1,720	1,703	1,720
Reserves excluding Revaluation reserve	28,506	26,354	26,956
Earnings Per Share (EPS)			
a) Basic	0.45	0.44	1.68
b) Diluted	0.40	0.40	1.38
Public Shareholding			
- No. of shares	43,395,982	43,395,982	43,395,982
- Percentage of shareholding Promoter & Promoter Group shareholding	50.46	50.96	50.46
a) Pledged / Encumbered			
- No. of shares	38,274,700	34,786,700	38,049,700
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter Group)	89.83	83.30	89.30
- Percentage of shares (as a % of the total share capital of the Company)	44.50	40.85	44.24
b) Non-encumbered			
- No. of shares	4,334,218	6,972,218	4,559,218
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter Group)	10.17	16.70	10.70
- Percentage of shares (as a % of the total share capital of the Company)	5.04	8.19	5.30

Notes:

- The Company is making arrangements to redeem the outstanding FCCBs of US \$ 15 mn and premium thereof on or before the due date (December 6, 2011).
- In terms of amendments notified on 31st March, 2009 and on 11th May, 2011 to Accounting Standard 11, "The Effects of changes in Foreign Exchange Rates" the exchange loss of ₹ 858.05 lakhs on restatement of foreign currency borrowings relating to acquisition of depreciable assets has been capitalized to be depreciated over the balance life of the assets. In case of other assets there is an exchange loss of ₹ 498.89 lakhs out of which ₹ 249.45 lakhs has been charged as depreciation during the quarter and balance of ₹ 249.44 lakhs would be charged off in the following quarter ended 31st December, 2011. As a result depreciation charge for the quarter is higher by ₹ 250.38 lakhs.

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED.

(₹ in Lakhs)

Particulars	Quarter Ended		Year Ended
	30.09.2011	30.09.2010	Audited 30.06.2011
1. Segment Revenue (Net Sale / Income from each Segment)			
a) Express Distribution & Supply Chain	22,692	19,667	80,883
b) Coast to Coast (Shipping)	801	2,846	9,197
Less: Inter Segment Revenue	3	12	68
Net Sales / Income from Operations	23,489	22,500	90,012
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)			
a) Express Distribution & Supply Chain	3,098	2,131	9,616
b) Coast to Coast (Shipping)	(561)	110	8
Total	2,536	2,241	9,624
Less: i) Interest (net of Income)	(1,233)	(1,093)	(4,844)
ii) Other unallocable expenditure net off	(610)	(536)	(2,484)
Total Profit Before Tax			
3. Capital Employed (Segment Assets - Segment Liabilities)	694	612	2,295
a) Express Distribution & Supply Chain	2,682	5,742	2,677
b) Coast to Coast (Shipping)	21,979	17,545	21,726
c) Unallocated Corporate Assets	10,243	9,036	9,786
Total	34,904	32,323	34,189

- The Company has initiated Arbitration Proceeding with the National Aviation Company of India Limited ("NACIL") in respect of certain disputes that had arisen between the Company and NACIL arising out of the Wet Lease Agreement, the Company had entered into with NACIL in the year 2007 wherein NACIL had invoked the Bank guarantee of ₹ 30.00 crores. The Company had objected to the wrongful invocation of the Bank guarantee and raised claims on NACIL in respect of the continuous breaches committed by it during the tenure of the Wet Lease Agreement. NACIL had in turn raised certain counter claims on the Company in the proceedings. The disputes are pending before the Arbitral Tribunal. No orders have been passed against the Company nor have any claims been adjudicated in the matter as on date. In the opinion of the Company's Attorneys, no provision is considered necessary at this stage. The Auditors in their report have stated their inability to express an opinion in the matter.
- 28,15,860 Options under Employee Stock Options Scheme were outstanding as on September 30, 2011.
- The Company is in the process of hiving off the shipping division into a Wholly owned subsidiary Company.
- Tax expense for the current year represents Income Tax, Tonnage Tax and Deferred Tax.
- The previous year figures have been regrouped / rearranged wherever necessary to make them comparable.
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their Meeting held on 14th November, 2011.
- Three complaints received from investors during the quarter ended September 30, 2011 have been resolved. There were no complaints outstanding at the beginning or at the end of the quarter.

Place : Secunderabad
Date : 14th November 2011

For GATI LIMITED
Mahendra Agarwal
Managing Director & CEO

Call Free No.: 1800-180-4284, Mobile No.: 098603 54284

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