

# UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER, 2010



Regd. & Head Office: GATI LIMITED  
1-7-293, M.G. Road, Secunderabad-500003.  
Fax No. 040-27894284

(Rs. in Lakhs)

Particulars	Quarter Ended		Year Ended
	30.09.2010	30.09.2009	Audited 30.06.2010
Income from Operations	22,500	16,997	74,472
Other Operating Income	146	149	650
<b>Total Income</b>	<b>22,646</b>	<b>17,146</b>	<b>75,122</b>
Expenditure:			
- Operating Expenses	15,585	11,070	48,796
- Employees Cost	2,612	2,084	8,913
- Administrative Expenses	1,987	1,629	7,596
- Repairs & Maintenance	233	176	1,225
- Depreciation	535	668	2,387
<b>Total</b>	<b>20,951</b>	<b>15,627</b>	<b>68,917</b>
<b>Profit from Operations before Other Income, Interest and Tax</b>	<b>1,695</b>	<b>1,519</b>	<b>6,205</b>
Other Income	10	9	19
Interest (Net)	1,093	1,183	4,309
<b>Profit before Tax</b>	<b>612</b>	<b>345</b>	<b>1,915</b>
Tax Expense	237	118	404
<b>Net Profit for the period / year</b>	<b>375</b>	<b>227</b>	<b>1,511</b>
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	1703	1698	1703
Reserves excluding Revaluation reserve	26354	25385	26007
Earnings Per Share (EPS)			
a) Basic	0.44	0.27	1.78
b) Diluted	0.40	0.25	1.62
Public Shareholding			
- No. of shares	43395982	43117132	43395982
- Percentage of shareholding	50.96	50.80	50.96
Promoter & Promoter Group shareholding			
a) Pledged / Encumbered			
- No. of shares	34786700	26591000	34786700
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	83.30	63.67	83.30
- Percentage of shares (as a % of the total share capital of the company)	40.85	31.33	40.85
b) Non-encumbered			
- No. of shares	6972218	15167918	6972218
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	16.70	36.33	16.70
- Percentage of shares (as a % of the total share capital of the company)	8.19	17.87	8.19

**Notes:**

- Pursuant to the Company exercising option permissible under Accounting Standard 11 "Effect of changes in Foreign Exchange Rates" effective from July 1, 2007, the profit after tax for the period is less by Rs. 142.53 lakhs and fixed assets lower by Rs. 52.92 lakhs.
- Company has raised an Arbitral dispute 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. NACIL invoked the Bank guarantee of Rs. 3000 Lakhs in 2009. The Company had raised claims on NACIL in respect of the continuous breaches committed by it during the tenure of the Wet Lease Agreement. NACIL has in turn raised certain counter claims on the Company in the proceedings, which are disputed. The disputes are pending adjudication. No orders have been passed against the Company nor have any claims been adjudicated in the matter as on date in the said proceed-

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## SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

Particulars	Quarter Ended		Year Ended
	30.09.2010	30.09.2009	Audited 30.06.2010
<b>1. Segment Revenue (Net Sale / Income from each Segment)</b>			
a) Express Distribution & Supply Chain	19,667	14,896	65,203
b) Coast to Coast (Shipping)	2,846	2,110	9,323
Less: Inter Segment Revenue	12	9	54
<b>Net Sales / Income from Operations</b>	<b>22,500</b>	<b>16,997</b>	<b>74,472</b>
<b>2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)</b>			
a) Express Distribution & Supply Chain	2,131	2,013	7,906
b) Coast to Coast (Shipping)	110	(75)	206
<b>Total</b>	<b>2,241</b>	<b>1,938</b>	<b>8,112</b>
<b>Less: i) Interest (net of Income)</b>	<b>(1,093)</b>	<b>(1,183)</b>	<b>(4,309)</b>
ii) Other unallocable expenditure net off	(536)	(410)	(1,888)
<b>Total Profit before tax</b>	<b>612</b>	<b>345</b>	<b>1,915</b>
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>			
a) Express Distribution & Supply Chain	5,742	6,116	4,056
b) Coast to Coast (Shipping)	17,545	15,238	16,886
d) Unallocated Corporate	9,036	8,442	9,044
Assets			
<b>Total</b>	<b>32,323</b>	<b>29,796</b>	<b>29,986</b>

ings. Based on the opinion of the Company's Attorney, no provision is considered necessary by the Management at this stage. The Statutory Auditors in their Limited Review Report have stated their inability to express an opinion in the above matter.

- 33,80,980 options under Employee Stock Options Schemes were outstanding as on September 30, 2010.
- Tax expense for the current quarter represents Current Tax, Tonnage Tax and Deferred Tax.
- The previous period figures have been regrouped / rearranged wherever necessary to make them comparable.
- A limited review of the above financial results has been carried out by the Statutory Auditors.
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their Meeting held on October 27, 2010.
- During the current quarter, the Company was allotted 2,06,000 shares of US\$ 1 each by Gati Holdings Ltd., Mauritius (Rs. 96.05 lakhs), wholly owned subsidiary.
- Gati Ship Pvt. Ltd. was incorporated on October 4, 2010, as a wholly owned subsidiary.
- Five complaints received from investors during the quarter have been resolved. There were no complaints outstanding at the beginning or at the end of the quarter.

Place : Secunderabad  
Date : October 27, 2010

for GATI LIMITED  
**Mahendra Agarwal**  
Managing Director & CEO

www.gati.com