

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER, 2009

(Rs. in lakhs)

Particulars	Quarter Ended		Half Year Ended		Year Ended
	31.12.09	31.12.08	31.12.09	31.12.08	30.06.09
	Audited				
1. (a) Net Sales/Income from Operations	18003	15704	35000	31469	61808
(b) Other Operating Income	218	398	367	470	1192
Total Income	18221	16102	35367	31939	63000
2. Expenditure					
a) Operating Expenses	11759	10579	22829	21959	41569
b) Employee Cost	2202	2075	4286	3929	8040
c) Administrative Expenses	1817	1906	3446	3468	6497
d) Repairs & Maintenance Expenses	270	141	446	225	773
e) Depreciation	605	505	1273	909	2301
3. Total	16653	15206	32280	30500	59180
4. Profit from operations before other income, interest, exceptional items & Tax	1568	896	3087	1439	3820
5. Other Income	7	—	16	—	33
6. Interest (Net)	1133	863	2316	1315	3541
7. Profit/(Loss) after other income, interest but before Exceptional Items & Tax	442	33	787	124	312
8. Exceptional Items	—	—	—	—	(1688)
9. Profit/(Loss) before tax	442	33	787	124	(1376)
10. Tax Expense	58	19	176	68	129
11. Net Profit/(Loss)	384	14	611	56	(1505)
12. Paid-up equity share capital (Face Value of the Share -Rs.2/-each)	1703	1693	1703	1693	1698
13. Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	—	—	—	—	25385
14. Earnings Per Share (EPS)					
a) Basic EPS (Rs.)	0.45	0.06	0.72	0.11	(1.78)
b) Diluted EPS (Rs.)	0.41	0.06	0.66	0.10	(1.65)
15. Public Shareholding					
- No. of shares	43395982	43268381	43395982	43268381	43117132
- Percentage of shareholding	50.96	51.11	50.96	51.11	50.80
16. Promoter & Promoter Group shareholding					
a) Pledged / Encumbered					
- No. of shares	28045000	—	28045000	—	26591000
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	67.16	—	67.16	—	63.67
- Percentage of shares (as a % of the total share capital of the company)	32.93	—	32.93	—	31.33
b) Non-encumbered					
- No. of shares	13713918	—	13713918	—	15167918
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	32.84	—	32.84	—	36.33
- Percentage of shares (as a % of the total share capital of the company)	16.10	—	16.10	—	17.87

* Particulars for the previous period are not required to be furnished.

Notes:

- The paid-up equity share capital of the Company has increased during the quarter from Rs.169,752,100/- to Rs.170,309,800/- on account of allotment of 278,850 equity shares to employees of the Company at a premium of Rs.29.20 per share under Employee Stock Option Scheme.
- 2,484,280 share options were outstanding as on 31st December 2009.
- At the Extraordinary General Meeting held on 11th January 2010, the shareholders have authorised the Board for allotment to Mr. Mahendra Kumar Agarwal, one of the promoters of the Company on preferential basis the following convertible warrants:
 - 4,872,000 numbers at Rs.81/- per warrant.
 - 5,360,400 numbers at Rs.58/- per warrant.
- During the previous year, Company was constrained to discontinue the freighter business and terminated the arrangement with National Aviation Company of India Limited (NACIL) resulting in Arbitral dispute and NACIL invoked the Bank Guarantees of Rs.3000 Lakhs. Pursuant to the above, the dispute is pending adjudication before the Arbitral Tribunal and the proceedings have already commenced. The Company has filed its claim before the Tribunal and NACIL has made a counter claim. In the opinion of the Company's Attorney, no provision is considered necessary at this stage. The Auditors in their limited review report have stated their inability to express an opinion in the matter.
- Following the Company opting for adoption of amended Accounting Standard AS 11, depreciation for the current quarter includes Rs.15.43 Lakhs on account of amortization of Foreign Currency Monetary Items Translation Difference and depreciation of Rs.11.49 Lakhs. The cumulative effect of which is that the profit for the quarter is less by Rs.26.92 Lakhs and the value of the Fixed Assets is less by Rs.42.84 Lakhs.

Segment wise Revenue, Results and Capital Employed

(Rs. in lakhs)

Particulars	Quarter Ended		Half Year Ended		Year Ended
	31.12.09	31.12.08	31.12.09	31.12.08	30.06.09
	Audited				
1. Segment Revenue (Net Sale / Income from each Segment)					
a) Express Distribution & Supply Chain	16014	13336	30901	27345	58439
b) Coast to Coast (Shipping)	1989	2368	4099	4204	9349
Net Sales / Income from Operations	18003	15704	35000	31469	61808
2. Segment Results (Profit (+)/ Loss (-) before tax and interest from each segment)					
a) Express Distribution & Supply Chain	2052	883	4065	1446	3485
b) Coast to Coast (Shipping)	15	502	(60)	876	1973
Total	2067	1385	4005	2322	5458
Less: (i) Interest (net of income)	(1133)	(863)	(2316)	(1315)	(3541)
(ii) Other Unallocable Expenditure net of	(492)	(469)	(902)	(883)	(1576)
Add: (i) Other Unallocable income/(loss)	—	—	—	—	(1688)
Total Profit/(Loss) Before Tax	442	33	787	124	(1376)
3. Capital Employed					
(Segment Assets - Segment Liabilities)					
a) Express Distribution & Supply Chain	4633	10696	4633	10696	6461
b) Coast to Coast (Shipping)	15424	17713	15424	17713	16615
c) Unallocated	8626	6472	8626	6472	8384
Total	28683	35081	28683	35081	39461

- Dry docking expenses of Rs.463 Lakhs are being accounted in equated instalments spread over the current financial year. Attention has been drawn to this statement in the limited review report.
- Tax expense for the current quarter comprises of Minimum Alternate Tax, Tonnage Tax and Deferred Tax.
- A limited review of the above financial results has been carried out by the Statutory Auditors.
- The previous period / quarter figures have been amended / regrouped wherever necessary to make them comparable.
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors on 21st January 2010.
- Eight 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.

Place: Secunderabad
Date: 21st January, 2010

For Gati Limited
Mahendra Agarwal
Managing Director & CEO



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