

**GATI LIMITED**

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**AUDITED FINANCIAL RESULTS FOR NINE MONTHS ENDED 31st MARCH 2014**

Rs. In Lakhs

Particulars	Standalone					
	Quarter Ended			Nine Months Ended		Year Ended
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013	30.06.2013
	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Audited
Income from Operations	3,493	3,206	2,336	9,303	7,281	9,385
Net Sales	5,011	4,928	-	14,883	-	4,616
Other Operating Income	802	111	440	1,196	1,408	2,128
<b>Total Income</b>	<b>9,306</b>	<b>8,245</b>	<b>2,776</b>	<b>25,382</b>	<b>8,689</b>	<b>16,129</b>
Expenditure:						
- Cost of Sales	4,910	4,835	-	14,591	-	4,522
- Operating Expenses	2,664	2,566	1,866	7,296	6,209	7,819
- Employee Benefit Expenses	477	408	297	1,236	875	1,273
- Depreciation/ amortisation	54	162	50	405	125	209
- Other Expenses	519	238	283	974	694	903
<b>Total</b>	<b>8,624</b>	<b>8,209</b>	<b>2,496</b>	<b>24,502</b>	<b>7,903</b>	<b>14,725</b>
<b>Profit/loss from Operations before Other Income, finance cost and exceptional items</b>	<b>682</b>	<b>36</b>	<b>280</b>	<b>880</b>	<b>786</b>	<b>1,404</b>
Other Income	383	333	180	876	629	812
<b>Profit before finance cost and exceptional item</b>	<b>1,065</b>	<b>369</b>	<b>460</b>	<b>1,756</b>	<b>1,415</b>	<b>2,216</b>
Finance Cost	153	166	142	469	407	598
<b>Profit / loss after finance costs but before exceptional item</b>	<b>912</b>	<b>203</b>	<b>318</b>	<b>1,287</b>	<b>1,008</b>	<b>1,618</b>
Exceptional Item	-	-	-	-	-	
<b>Profit before tax</b>	<b>912</b>	<b>203</b>	<b>318</b>	<b>1,287</b>	<b>1,008</b>	<b>1,618</b>
Tax Expense	(769)	-	(505)	(769)	(504)	(918)
<b>Net Profit after tax</b>	<b>1,681</b>	<b>203</b>	<b>822</b>	<b>2,056</b>	<b>1,512</b>	<b>2,536</b>
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	1,745	1,732	1,732	1,745	1,732	1,732
Reserves excluding Revaluation reserve as per balance sheet of previous accounting year						81,823
Earnings Per Share (EPS)						
a) Basic	1.93	0.23	0.95	2.37	1.75	2.93
b) Diluted	1.43	0.17	0.71	1.76	1.29	2.17
<b>PARTICULARS OF SHAREHOLDING</b>						
Public Shareholding						
- No. of shares	54,005,657	57,193,857	48,161,762	54,005,657	48,161,762	48,603,857
- Percentage of shareholding	61.89	66.06	55.63	61.89	55.63	56.14
Promoter & Promoter Group shareholding						
a) Pledged / Encumbered						
- No. of shares	21,026,581	23,681,307	36,436,307	21,026,581	36,436,307	36,771,307
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	63.22	80.58	94.84	63.22	94.84	96.82
- Percentage of shares ( as a % of the total share capital of the company)	24.10	27.35	42.08	24.10	42.08	42.47
b) Non-encumbered						
- No. of shares	12,231,849	5,707,123	1,984,218	12,231,849	1,984,218	1,207,123
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	36.78	19.42	5.16	36.78	5.16	3.18
- Percentage of shares ( as a % of the total share capital of the company)	14.01	6.59	2.29	14.01	2.29	1.39
<b>INVESTOR COMPLAINTS</b>						
- Pending at the beginning of the quarter	0					
- Received during the quarter	2					
- Disposed of during the quarter	2					
- Remaining unresolved at the end of the quarter	0					

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## Notes:

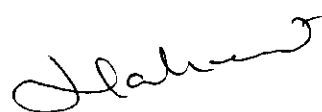
1. The Company is mainly engaged in the business of overseeing the operation of its subsidiaries, running of fuel stations besides E-commerce and integrated freight forwarding.
2. The Board of Directors has recommended a dividend of 35% for the financial period of 9 months ended 31st March 2014.
3. An appraisal of the carrying value of company's investment in subsidiaries was carried out by the management and the diminution in their values amounting to Rs 13551 Lacs has been adjusted against Special Reserve in the Balance Sheet. Further certain advances and receivables amounting to Rs 6744 Lacs relating to the company's subsidiary which is in the process of exiting from the shipping business found to be irrecoverable have been adjusted against the Special Reserve. Advances aggregating to Rs 1261 Lacs on capital account in respect of the discontinued business now found doubtful of recovery have been considered by the management as exceptional items and adjusted against the Special Reserve in the Balance Sheet. All the above accounting treatment is in accordance with the Scheme of Arrangement approved by the Honorable High Court of Andhra Pradesh vide their order dated 19th March 2013.
4. The Learned Arbitral Tribunal adjudicating on the disputes between the Company and Air India Limited (erstwhile NACIL) in respect of the discontinued freighter operations of the Company, has passed its Award dated 17th September 2013, whereby, it has inter alia directed Air India Limited to pay an amount of Rs. 2682 Lacs to the Company against which an amount of Rs. 2659 Lacs is included in the Loans and Advances being the difference between the amount of bank guarantee invoked by NACIL and claims acknowledged by the Company. Further, the Learned Tribunal has directed Air India Limited to pay interest @ 18% per annum on the awarded amount. Air India has preferred an Appeal in the Hon'ble Delhi High Court inter alia seeking setting aside of the Award. The matter is pending adjudication.
5. Pursuant to the notification issued by the ministry of Corporate Affairs dated 29th December 2011 on Accounting Standard 11, the company has opted to adjust the carrying cost of depreciable fixed assets/ to amortize the exchange differences on the Long term Foreign Currency Monetary Items over their tenure. Accordingly as on March 31, 2014, the gain on exchange variance of Rs 88.79 lakhs during the period has been transferred to the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA). The amortization for the period on this account is Rs. 348.94 lakhs. The balance of Rs.1256.93 lakhs in the FCMITDA has been carried forward.
6. The Board of Directors of the company has allotted the following equity shares on exercise of options at a premium of Rs.33.05 per share granted to Employees 6,29,300 shares and Non-Executive Directors 52,500 shares. Consequently the Equity Share Capital of the company increased from 8,65,82,287 equity shares of Rs 2/- each to 8,72,64,087 equity shares of Rs 2/- each during the quarter.
7. 17,06,590 options under Employee Stock Options Scheme were outstanding as on March 31, 2014.
8. In response to company's application to Reserve Bank of India (RBI) seeking permission for part repurchase of FCCB, RBI vide its letter dated 27th September 2013 accorded permission while stating that the Company was not an eligible borrower under the automatic route and the borrowing be treated as a Foreign Debt. The company was levied a compounding fee of Rs.296 Lacs in this respect. The company has paid Rs 74 lacs under protest and has moved the High Court of Andhra Pradesh on the order.



## 9. Statement of Assets and Liabilities as required under clause 41(l)(ea) of Listing agreement

(Rs. In Lakhs)

	Audited 31.03.2014	Audited 30.06.2013
<b>EQUITY AND LIABILITIES</b>		
(a) Share Capital	1,745	1,732
(b) Reserves & Surplus	62,254	82,418
	<b>63,999</b>	<b>84,150</b>
<b>2 Non-Current Liabilities</b>		
(a) Long-term borrowings	17,131	16,006
(b) Deferred tax liabilities(Net)	118	885
(c) Other long-term liabilities	55	40
(d) Long-term provisions	1,863	1,220
	<b>19,167</b>	<b>18,151</b>
<b>3. Current Liabilities</b>		
(a) Short-term borrowings	1,376	804
(b) Trade Payables	2,681	1,040
(c) Other current liabilities	5,701	4,644
(d) Short-term provisions	1,676	2,611
	<b>11,434</b>	<b>9,099</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>94,600</b>	<b>111,400</b>
<b>ASSETS</b>		
<b>1 Non-Current Assets</b>		
(a) Fixed Assets	10,557	9,294
(b) Non-current investments	64,369	74,463
(c) Long-term loans and advances	2,525	3,865
(d) Other Non-Current assets	174	49
	<b>77,625</b>	<b>87,671</b>
<b>2 Current Assets</b>		
(a) Inventories	157	121
(b) Trade receivables	3,791	2,811
(c) Cash and cash equivalents	1,306	1,317
(d) Short-term loans and advances	11,721	19,480
	<b>16,975</b>	<b>23,729</b>
<b>TOTAL ASSETS</b>	<b>94,600</b>	<b>111,400</b>



10. Tax expenses include Income Tax, Deferred Tax for the current period and deferred tax adjustment of Rs 782 Lacs relating to discontinued business.
11. The Financial Results cover a period of nine months ended 31st March 2014 and the company would close the accounts on 31st March each year. The figures for the current period are therefore not comparable with those of the previous year.
12. Figures of the previous quarter/period have been regrouped /reclassified wherever necessary.

For GATI LIMITED



Mahendra Agarwal

Founder & CEO

Place: Secunderabad

Date: May 6, 2014