

# UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st MARCH, 2011

(Rs. in Lakhs)

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	Audited 30.06.2010
Income from Operations	22,686	18,811	67,590	53,811	74,472
Other Operating Income	183	108	442	475	650
<b>Total Income</b>	<b>22,869</b>	<b>18,919</b>	<b>68,032</b>	<b>54,286</b>	<b>75,122</b>
Expenditure:					
- Operating Expenses	15,393	12,247	46,321	34,702	48,612
- Employees Cost	2,547	2,197	7,618	6,485	8,580
- Administrative Expenses	2,161	2,132	6,392	5,830	7,929
- Repairs & Maintenance	278	325	826	891	1,409
- Depreciation	518	567	1,581	1,840	2,387
<b>Total</b>	<b>20,897</b>	<b>17,468</b>	<b>62,738</b>	<b>49,748</b>	<b>68,917</b>
<b>Profit from Operations before Other Income, Interest and Tax</b>	<b>1,972</b>	<b>1,451</b>	<b>5,294</b>	<b>4,538</b>	<b>6,205</b>
Other Income	9	9	29	25	19
Interest (Net)	1,336	966	3,589	3,282	4,309
<b>Profit before Tax</b>	<b>645</b>	<b>494</b>	<b>1,734</b>	<b>1,281</b>	<b>1,915</b>
Tax Expense	285	83	681	259	404
<b>Net Profit for the period / year</b>	<b>360</b>	<b>411</b>	<b>1,053</b>	<b>1,022</b>	<b>1,511</b>
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	1,720	1,703	1,720	1,703	1,703
Reserves excluding Revaluation reserve	27,223	-----	27,223	-----	26,007
Earnings Per Share (EPS)					
a) Basic	0.42	0.48	1.22	1.20	1.78
b) Diluted	0.35	0.44	1.01	1.09	1.62
Public Shareholding					
- No. of shares	43,395,982	43,395,982	43,395,982	43,395,982	43,395,982
- Percentage of shareholding Promoter & Promoter Group shareholding	50.46	50.96	50.46	50.96	50.96
a) Pledged / Encumbered					
- No. of shares	38,001,700	31,500,000	38,001,700	31,500,000	34,786,700
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	89.19	75.44	89.19	75.44	83.30
- Percentage of shares (as a % of the total share capital of the company)	44.19	36.99	44.19	36.99	40.85
b) Non-encumbered					
- No. of shares	4,607,218	10,258,918	4,607,218	10,258,918	6,972,218
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	10.81	24.56	10.81	24.56	16.70
- Percentage of shares (as a % of the total share capital of the company)	5.36	12.05	5.36	12.05	8.19

## Notes:

- During the quarter, 8,50,000 shares of Rs. 2 each at a premium of Rs. 56 per share, were allotted to Mr. Mahendra Agarwal, one of the promoters of the Company, on preferential basis upon conversion of convertible warrants. The paid up share capital of the Company shall increase to Rs. 17,20,09,800/-.
- 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. 96.82 lakhs and fixed assets lower by Rs.61.43 lakhs.
- Company has raised an Arbitral dispute with Air India (formerly known as National Aviation Company of India Limited or NACIL) in respect of certain disputes that had arisen between the Company and Air India arising out of the Wet Lease Agreement, the Company had entered into with Air India in the year 2007. Air India invoked the Bank guarantee of Rs. 3000 Lakhs in 2009. The Company had raised claims on Air India in respect of the continuous breaches committed by it during the tenure of the Wet Lease Agreement. Air India 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 proceedings. 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.
- 31,78,980 options granted under Employee Stock Options Schemes were outstanding as on March 31, 2011.
- Tax expense for the current quarter represents Current Tax, Tonnage Tax, Deferred Tax and net of MAT credit.

## SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

Particulars	Quarter Ended		Nine Months Ended		Year Ended
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	Audited 30.06.2010
<b>1. Segment Revenue (Net Sale / Income from each Segment)</b>					
a) Express Distribution & Supply Chain	20,058	16,314	59,729	47,236	65,203
b) Coast to Coast (Shipping)	2,643	2,508	7,899	6,608	9,323
Less: Inter Segment Revenue	15	12	38	32	54
<b>Net Sales / Income from Operations</b>	<b>22,686</b>	<b>18,810</b>	<b>67,590</b>	<b>53,812</b>	<b>74,472</b>
<b>2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)</b>					
a) Express Distribution & Supply Chain	2,667	1,852	7,049	5,918	7,906
b) Coast to Coast (Shipping)	59	110	236	50	206
<b>Total</b>	<b>2,726</b>	<b>1,962</b>	<b>7,285</b>	<b>5,968</b>	<b>8,112</b>
Less: i) Interest (net of Income)	(1,336)	(966)	(3,589)	(3,282)	(4,309)
ii) Other unallocable expenditure net off	(745)	(502)	(1,962)	(1,404)	(1,888)
<b>Total Profit before tax</b>	<b>645</b>	<b>494</b>	<b>1,734</b>	<b>1,282</b>	<b>1,915</b>
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>					
a) Express Distribution & Supply Chain	3,065	4,129	3,065	4,129	4,056
b) Coast to Coast (Shipping)	20,871	16,655	20,871	16,655	16,886
c) Unallocated Corporate Assets	9,692	8,527	9,692	8,527	9,044
<b>Total</b>	<b>33,628</b>	<b>29,311</b>	<b>33,628</b>	<b>29,311</b>	<b>29,986</b>

- 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 its Meeting held on April 30, 2011.
- During the quarter, 18,750,000 shares of face value Rs. 10 each held by the Company in Gati Infrastructure Limited were swapped for an equal number of shares of the same value, in Amrit Jal Ventures Limited, its holding company.
- During the quarter ended March 31, 2011, the Company was allotted 3,40,000 shares of US\$ 1 each (Rs.154.19 lakhs) by Gati Holdings Ltd., Mauritius, wholly owned subsidiary. Further, the Company invested Rs.50 lakhs in Gati Import Export Trading Limited, 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 : April 30, 2011

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



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