

GATI LIMITED

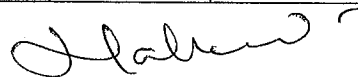
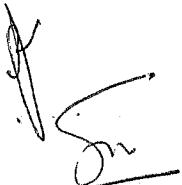
Regd. & Corp Office: Plot No 20, Survey No 12, Kothaguda, Kondapur, Hyderabad 500 081

website: www.gati.com e-mail: investor.services@gati.com

PART-I: STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR QUARTER ENDED 30TH SEPTEMBER, 2014

Rs. In Lakhs

| Particulars | Quarter Ended | | | Six Month Ended | | Nine Month Ended |
|--|---------------|---------------|---------------|-----------------|---------------|------------------|
| | 30.09.2014 | 30.06.2014 | 30.09.2013 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Income from Operations | 34,075 | 33,421 | 29,931 | 67,496 | 57,169 | 93,032 |
| Sale of Products | 6,878 | 5,992 | 6,087 | 12,870 | 10,905 | 17,923 |
| Other Operating Income | 232 | 350 | 312 | 582 | 479 | 702 |
| Total Income | 41,185 | 39,763 | 36,330 | 80,948 | 68,553 | 1,11,657 |
| Expenditure: | | | | | | |
| - Cost of Sales | 6,321 | 5,788 | 5,912 | 12,109 | 10,622 | 17,481 |
| - Operating Expenses | 24,250 | 23,701 | 21,635 | 47,951 | 41,637 | 66,270 |
| - Employee Benefit Expenses | 3,813 | 3,395 | 3,333 | 7,208 | 6,671 | 10,269 |
| - Depreciation/Amortisation | 760 | 710 | 794 | 1,470 | 1,467 | 2,207 |
| - Other Expenses | 3,250 | 3,090 | 2,945 | 6,340 | 5,238 | 9,226 |
| Total | 38,394 | 36,684 | 34,619 | 75,078 | 65,635 | 1,05,453 |
| Profit/loss from Operations before Other Income, finance cost and exceptional items | 2,791 | 3,079 | 1,711 | 5,870 | 2,918 | 6,204 |
| Other Income | 306 | 246 | 362 | 552 | 1,016 | 1,061 |
| Profit before finance cost and exceptional item | 3,097 | 3,325 | 2,073 | 6,422 | 3,934 | 7,265 |
| Finance Cost | 999 | 1,018 | 1,070 | 2,017 | 2,118 | 3,250 |
| Profit / loss after finance costs but before exceptional item | 2,098 | 2,307 | 1,003 | 4,405 | 1,816 | 4,015 |
| Exceptional Item | (296) | - | - | (296) | - | - |
| Profit after exceptional but before extraordinary items | 1,802 | 2,307 | 1,003 | 4,109 | 1,816 | 4,015 |
| Extraordinary Items | | | | | (113) | |
| Profit Before Tax | 1,802 | 2,307 | 1,003 | 4,109 | 1,703 | 4,015 |
| Tax Expense | 553 | 802 | 427 | 1,355 | 406 | 1,184 |
| Net Profit after tax | 1,249 | 1,505 | 576 | 2,754 | 1,297 | 2,831 |
| Minority Interest | (556) | (355) | (116) | (911) | (167) | (489) |
| Net profit for the period/year | 693 | 1,150 | 460 | 1,843 | 1,130 | 2,342 |
| Paid up Equity Share Capital (Face Value of the Share Rs.2/- each) | 1,745 | 1,745 | 1,732 | 1,745 | 1,732 | 1,745 |
| Reserves excluding Revaluation reserve as per balance sheet of previous accounting year | - | - | - | - | - | 74,943 |
| Earnings Per Share (EPS) | | | | | | |
| a) Basic | 0.79 | 1.32 | 0.53 | 2.11 | 1.30 | 2.70 |
| b) Diluted | 0.58 | 0.97 | 0.39 | 1.56 | 0.96 | 2.00 |
| PART - II: SELECT INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2014 | | | | | | |
| A: PARTICULARS OF SHAREHOLDING | | | | | | |
| Public Shareholding | | | | | | |
| - No. of shares | 5,39,97,974 | 5,68,34,771 | 5,36,93,857 | 5,39,97,974 | 5,36,93,857 | 5,40,05,657 |
| - Percentage of shareholding | 61.88 | 65.13 | 62.02 | 61.88 | 62.02 | 61.89 |
| Promoter & Promoter Group shareholding | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| - No. of shares | 2,05,86,563 | 1,99,52,017 | 2,71,81,307 | 2,05,86,563 | 2,71,81,307 | 2,10,26,581 |
| - Percentage of shares (as a % of the total shareholding of Promoter & Promoter group) | 61.88 | 65.57 | 82.65 | 61.88 | 82.65 | 63.22 |
| - Percentage of shares (as a % of the total share capital of the company) | 23.59 | 22.86 | 31.39 | 23.59 | 31.39 | 24.10 |
| b) Non-encumbered | | | | | | |
| - No. of shares | 1,26,79,550 | 1,04,77,299 | 57,07,123 | 1,26,79,550 | 57,07,123 | 1,22,31,849 |
| - Percentage of shares (as a % of the total shareholding of Promoter & Promoter group) | 38.12 | 34.43 | 17.35 | 38.12 | 17.35 | 36.78 |
| - Percentage of shares (as a % of the total share capital of the company) | 14.53 | 12.01 | 6.59 | 14.53 | 6.59 | 14.01 |
| B: INVESTOR COMPLAINTS | | | | | | |
| - Pending at the beginning of the quarter | - | | | | | |
| - Received during the quarter | 6 | | | | | |
| - Disposed of during the quarter | 6 | | | | | |
| - Remaining unresolved at the end of the quarter | - | | | | | |

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

| Particulars | Quarter Ended | | | Six Months Ended | | Rs. In Lakhs |
|---|---------------|---------------|---------------|------------------|---------------|---------------------------------|
| | 30.09.2014 | 30.06.2014 | 30.09.2013 | 30.09.2014 | 30.09.2013 | Nine Months Ended 31.03.2014 |
| 1. Segment Revenue (Net Sale / Income from each Segment) | | | | | | |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| a) Express Distribution & Supply Chain | 34,388 | 33,632 | 29,515 | 68,020 | 56,468 | 91,834 |
| b) Shipping | - | 173 | 737 | 173 | 1,135 | 1,915 |
| c) Fuel Sales | 5,515 | 5,235 | 4,944 | 10,750 | 9,577 | 14,927 |
| d) Other Sales | 1,363 | 773 | 1,143 | 2,136 | 1,388 | 3,063 |
| Total | 41,266 | 39,813 | 36,339 | 81,079 | 68,568 | 1,11,739 |
| Less: Inter Segment Revenue | (81) | (50) | (9) | (131) | (15) | (82) |
| Net Sales / Income from Operations | 41,185 | 39,763 | 36,330 | 80,948 | 68,553 | 1,11,657 |
| 2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment) | | | | | | |
| a) Express Distribution & Supply Chain | 3,007 | 3,352 | 2,223 | 6,359 | 4,247 | 7,883 |
| b) Shipping | - | (128) | (257) | (128) | (563) | (874) |
| c) Fuel Sales | 80 | 85 | 78 | 165 | 156 | 228 |
| d) Other Sales | 10 | 16 | 29 | 26 | 94 | 28 |
| Total | 3,097 | 3,325 | 2,073 | 6,422 | 3,934 | 7,265 |
| Less: Interest Expenses | 999 | 1,018 | 1,070 | 2,017 | 2,118 | 3,250 |
| Total Profit before tax and Exceptional Items | 2,098 | 2,307 | 1,003 | 4,405 | 1,816 | 4,015 |
| 3 Capital Employed (Segment Assets - Segment Liabilities) | | | | | | |
| a) Express Distribution & Supply Chain | 97,129 | 95,289 | 96,805 | 97,129 | 96,805 | 93,296 |
| b) Shipping | - | - | 36,349 | - | 36,349 | 36,068 |
| c) Fuel Stations | 939 | 861 | 554 | 939 | 554 | 604 |
| e) Unallocated/ Corporate/Inter Segment | (43,818) | (43,343) | (56,063) | (43,818) | (56,063) | (53,280) |
| Capital Employed | 54,250 | 52,807 | 77,645 | 54,250 | 77,645 | 76,688 |

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Notes:

1. The company and its 10 subsidiaries including 4 overseas step down subsidiaries are engaged primarily in the business of running Express Distribution, Supply Chain Services, e-Commerce logistics, Integrated Freight Forwarding, Warehousing and Fuel stations.
2. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 29, 2014.
3. During the quarter the company was allotted 4,69,484 equity shares of Rs 10/- each at a premium of Rs 90/- per share (as determined by an independent valuer) by Gati Kausar India Limited a subsidiary.
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. 26.82 Crores to 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. Pending adjudication, the dues receivable of Rs 26.50 crores from Air India Limited under the award, has been included in the loans and advances, considered good and recoverable. The company is also taking steps to secure the amount due from Air India Limited.
5. In September 2013 the Reserve Bank of India(RBI) took the view that FCCBs issued by the company for US\$ 22.18 Mn is to be considered as a Foreign Debt and levied a compounding fee of Rs: 2.96 crores. The High Court at Hyderabad in a petition filed by the company directed RBI to consider the company's representation in accordance with law. Although clarification from RBI is awaited on the representation the company as a matter of accounting prudence has absorbed the said amount in the accounts and disclosed it as an exceptional item.
6. Gati Kausar India Limited a subsidiary company, has received in October 2014 Rs. 36 crores from an overseas private equity investor, towards the followings (a) allotment of 13,05,132 full paid Equity shares of Rs. 10 each at a premium of Rs. 143.24. (b) allotment of 9,32,237 compulsory convertible preference shares of Rs. 10 each at a premium of Rs. 97.27. (c) allotment of 60 secured Non-Convertible Debentures /Bonds of Rs. 10 lacs each.
7. The Board has appointed a woman independent director on 6th August 2014.
8. The standalone financial results of the company for the quarter ended 30th September, 2014 are as follows:

Rs in Lakhs

| Particulars | Quarter ended | | | Period ended |
|----------------------|---------------|------------|------------|--------------|
| | 30.09.2014 | 30.06.2014 | 30.09.2013 | 31.03.2014 |
| Turnover | 10,531 | 9,534 | 7,831 | 25,382 |
| Profit before tax | 389 | 363 | 172 | 1,287 |
| Net Profit after tax | 354 | 335 | 172 | 2,056 |

9. 21,06,590 options under Employee Stock Options Scheme were outstanding as on September 30, 2014.
10. Tax expenses include Income Tax and Deferred Tax(Net).
11. Figures of the previous quarter/period have been regrouped/reclassified wherever necessary.
12. The standalone financial results of the Company are available for investors at www.gati.com, www.nseindia.com and www.bseindia.com

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

(Rs. In Lakhs)

| Particulars | Consolidated | |
|-------------------------------------|-------------------------|-----------------------|
| | Unaudited 30.09.2014 | Audited 31.03.2014 |
| EQUITY AND LIABILITIES | - | - |
| 1. (a) Share Capital | 1,745 | 1,745 |
| (b) Reserves & Surplus | 53,100 | 75,538 |
| | 54,845 | 77,283 |
| 2. Minority Interest | 7,476 | 11,732 |
| 3. Non-Current Liabilities | | |
| (a) Long-term borrowings | 24,699 | 26,717 |
| (b) Deferred tax liabilities(Net) | 494 | 608 |
| (c) Other long-term liabilities | 86 | 55 |
| (d) Long-term provisions | 2,355 | 1,863 |
| | 27,634 | 29,243 |
| 4. Current Liabilities | | |
| (a) Short-term borrowings | 10,960 | 13,043 |
| (b) Trade Payables | 7,420 | 7,323 |
| (c) Other current liabilities | 13,549 | 12,575 |
| (d) Short-term provisions | 6,161 | 6,535 |
| | 38,090 | 39,476 |
| TOTAL EQUITY AND LIABILITIES | 1,28,045 | 1,57,734 |
| ASSETS | | |
| 1 Non-Current assets | | |
| (a) Fixed Assets (including CWIP) | 24,298 | 41,810 |
| (b) Goodwill on Consolidation | 44,700 | 44,688 |
| (c) Non-current Investments | 6,472 | 5,478 |
| (d) Long-term loans and Advances | 5,548 | 13,380 |
| (e) Other non-current Assets | 247 | 176 |
| | 81,265 | 1,05,532 |
| 2 Current Assets | | |
| (a) Inventories | 501 | 1,191 |
| (b) Trade Receivables | 23,988 | 24,142 |
| (c) Cash and Cash equivalents | 4,424 | 3,080 |
| (d) Short-term loans and Advances | 17,867 | 23,789 |
| | 46,780 | 52,202 |
| TOTAL ASSETS | 1,28,045 | 1,57,734 |

For GATI LIMITED

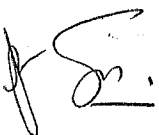

Mahendra Agarwal

Founder & CEO

DIN 00179779

Place: Hyderabad

Date: October 29, 2014



GATI LIMITED

Regd. & Head Office: Plot no.20, Survey no.12, Kothaguda, Kondapur, Hyderabad - 500 081.

CIN: L63011TG1995PLC020121 website: www.gati.com e-mail: investor.services@gati.com Telephone: 040 71204284 Fax: 040 23112318

PART - I : STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR QUARTER ENDED 30TH SEPTEMBER, 2014

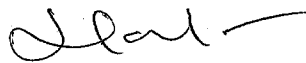
| Particulars | Quarter Ended | | | Half Year Ended | | 9 Month Ended |
|--|---------------|--------------|--------------|-----------------|---------------|---------------|
| | 30.09.2014 | 30.06.2014 | 30.09.2013 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Income from Operations | 4,244 | 4,243 | 2,604 | 8,487 | 4,709 | 9,303 |
| Net Sales | 5,515 | 5,235 | 4,944 | 10,750 | 9,559 | 14,883 |
| Other Operating Income | 772 | 56 | 283 | 828 | 1,004 | 1,196 |
| Total Income | 10,531 | 9,534 | 7,831 | 20,065 | 15,272 | 25,382 |
| Expenditure: | | | | | | |
| - Cost of Sales | 5,418 | 5,132 | 4,846 | 10,550 | 9,368 | 14,591 |
| - Operating Expenses | 3,085 | 2,985 | 2,066 | 6,070 | 3,675 | 7,296 |
| - Employee Benefit Expenses | 615 | 520 | 351 | 1,135 | 749 | 1,236 |
| - Depreciation/ amortisation | 256 | 164 | 189 | 420 | 273 | 405 |
| - Other Expenses | 413 | 384 | 217 | 797 | 426 | 974 |
| Total | 9,787 | 9,185 | 7,669 | 18,972 | 14,491 | 24,502 |
| Profit/loss from Operations before Other Income, finance cost and exceptional items | 744 | 349 | 162 | 1,093 | 781 | 880 |
| Other Income | 290 | 249 | 160 | 539 | 342 | 876 |
| Profit before finance cost and exceptional item | 1,034 | 598 | 322 | 1,632 | 1,123 | 1,756 |
| Finance Cost | 349 | 235 | 150 | 584 | 341 | 469 |
| Profit / loss after finance costs but before exceptional item | 685 | 363 | 172 | 1,048 | 782 | 1,287 |
| Exceptional Item | (296) | - | - | (296) | - | - |
| Profit before tax | 389 | 363 | 172 | 752 | 782 | 1,287 |
| Tax Expense | 35 | 28 | - | 63 | (414) | (769) |
| Net Profit after tax | 354 | 335 | 172 | 689 | 1,196 | 2,056 |
| Paid up Equity Share Capital (Face Value of the Share Rs.2/- each) | 1,745 | 1,745 | 1,732 | 1,745 | 1,732 | 1,745 |
| Reserves excluding Revaluation reserve as per balance sheet of previous accounting year | | | | | | 61,658 |
| Earnings Per Share (EPS) | | | | | | |
| a) Basic | 0.41 | 0.38 | 0.20 | 0.79 | 1.38 | 2.37 |
| b) Diluted | 0.30 | 0.28 | 0.15 | 0.58 | 1.03 | 1.76 |

PART - II : SELECT INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2014

| A. PARTICULARS OF SHAREHOLDING | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| Public Shareholding | | | | | | |
| - No. of shares | 53,997,974 | 56,834,771 | 53,693,857 | 53,997,974 | 53,693,857 | 54,005,657 |
| - Percentage of shareholding | 61.88 | 65.13 | 62.02 | 61.88 | 62.02 | 61.89 |
| Promoter & Promoter Group shareholding | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| - No. of shares | 20,586,563 | 19,952,017 | 27,181,307 | 20,586,563 | 27,181,307 | 21,026,581 |
| - Percentage of shares (as a % of the total shareholding of Promoter & Promoter group) | 61.88 | 65.57 | 82.65 | 61.88 | 82.65 | 63.22 |
| - Percentage of shares (as a % of the total share capital of the company) | 23.59 | 22.86 | 31.39 | 23.59 | 31.39 | 24.10 |
| b) Non-encumbered | | | | | | |
| - No. of shares | 12,679,550 | 10,477,299 | 5,707,123 | 12,679,550 | 5,707,123 | 12,231,849 |
| - Percentage of shares (as a % of the total shareholding of Promoter & Promoter group) | 38.12 | 34.43 | 17.35 | 38.12 | 17.35 | 36.78 |
| - Percentage of shares (as a % of the total share capital of the company) | 14.53 | 12.01 | 6.59 | 14.53 | 6.59 | 14.01 |
| B. INVESTOR COMPLAINTS | | | | | | |
| - Pending at the beginning of the quarter | 0 | | | | | |
| - Received during the quarter | 6 | | | | | |
| - Disposed of during the quarter | 6 | | | | | |
| - Remaining unresolved at the end of the quarter | 0 | | | | | |

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 above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 29, 2014.
3. During the quarter the company was allotted 4,69,484 equity shares of Rs 10/- each at a premium of Rs 90/- per share (as determined by an independent valuer) by Gati Kausar India Limited a subsidiary.
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. 26.82 Crores to 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. Pending adjudication, the dues receivable of Rs 26.50 crores from Air India Limited under the award, has been included in the loans and advances, considered good and recoverable. The company is also taking steps to secure the amount due from Air India Limited.
5. In September 2013 the Reserve Bank of India (RBI) took the view that FCCBs issued by the company for US\$ 22.18 Mn is to be considered as a Foreign Debt and levied a compounding fee of Rs. 2.96 crores. The High Court at Hyderabad in a petition filed by the company directed RBI to consider the company's representation in accordance with law. Although clarification from RBI is awaited on the representation the company as a matter of accounting prudence has absorbed the said amount in the accounts and disclosed it as an exceptional item.
6. The Board has appointed a woman independent director on 6th August 2014.
7. Tax expenses include Income Tax and Deferred Tax(Net).
8. 21,06,590 options under Employee Stock Options Scheme were outstanding as on September 30, 2014.
9. Figures of the previous quarter/period have been regrouped /reclassified wherever necessary.



10. Statement of Assets and Liabilities as required under clause 41(I)(ea) of Listing agreement

| | (Rs. In Lakhs) | |
|-------------------------------------|----------------|---------------|
| | UnAudited | Audited |
| | 30.09.2014 | 31.03.2014 |
| EQUITY AND LIABILITIES | | |
| (a) Share Capital | 1,745 | 1,745 |
| (b) Reserves & Surplus | 62,524 | 62,254 |
| | 64,269 | 63,999 |
| 2 Non-Current Liabilities | | |
| (a) Long-term borrowings | 20,297 | 17,131 |
| (b) Deferred tax liabilities(Net) | 165 | 118 |
| (c) Other long-term liabilities | 86 | 55 |
| (d) Long-term provisions | 2,355 | 1,863 |
| | 22,903 | 19,167 |
| 3. Current Liabilities | | |
| (a) Short-term borrowings | 553 | 1,376 |
| (b) Trade Payables | 2,528 | 2,681 |
| (c) Other current liabilities | 6,796 | 5,701 |
| (d) Short-term provisions | 1,072 | 1,676 |
| | 10,949 | 11,434 |
| TOTAL EQUITY AND LIABILITIES | 98,121 | 94,600 |
| ASSETS | | |
| 1 Non-Current Assets | | |
| (a) Fixed Assets | 11,319 | 10,557 |
| (b) Non-current investments | 65,832 | 64,369 |
| (c) Long-term loans and advances | 2,396 | 2,525 |
| (d) Other Non-Current assets | 245 | 174 |
| | 79,792 | 77,625 |
| 2 Current Assets | | |
| (a) Inventories | 106 | 157 |
| (b) Trade receivables | 4,321 | 3,791 |
| (c) Cash and cash equivalents | 1,275 | 1,306 |
| (d) Short-term loans and advances | 12,627 | 11,721 |
| | 18,329 | 16,975 |
| TOTAL ASSETS | 98,121 | 94,600 |

Place: Hyderabad

Date: October 29, 2014

For GATI LIMITED



Mahendra Agarwal

Founder & CEO

DIN - 00179779

