

GATI LIMITED

Regd. & Head Office: 1-7-293, M G Road, Secunderabad 500 003.

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

CONSOLIDATED FINANCIAL RESULTS FOR QUARTER ENDED 30TH SEPTEMBER, 2013

Rs. In Lakhs

| Particulars | Quarter Ended (Unaudited) | | | Year Ended (Audited) |
|--|---------------------------|---------------|---------------|----------------------|
| | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.06.2013 |
| Income from Operations | 29,931 | 27,238 | 25,753 | 108,114 |
| Sale of Products | 6,087 | 4,818 | 4,050 | 17,556 |
| Other Operating Income | 312 | 167 | 26 | 1,673 |
| Total Income | 36,330 | 32,223 | 29,829 | 127,343 |
| Expenditure: | | | | |
| - Cost of Sales | 5,912 | 4,710 | 3,957 | 17,140 |
| - Operating Expenses | 21,635 | 20,002 | 18,501 | 78,588 |
| - Employee Benefit Expenses | 3,333 | 3,338 | 2,736 | 12,364 |
| - Depreciation/Amortisation | 794 | 673 | 567 | 2,475 |
| - Other Expenses | 2,945 | 2,293 | 2,930 | 10,852 |
| Total | 34,619 | 31,016 | 28,691 | 121,419 |
| Profit/loss from Operations before Other Income, finance cost and exceptional items | 1,711 | 1,207 | 1,138 | 5,924 |
| Other Income | 362 | 654 | 368 | 1,609 |
| Profit before finance cost and exceptional item | 2,073 | 1,861 | 1,506 | 7,533 |
| Finance Cost | 1,070 | 1,048 | 1,135 | 4,367 |
| Profit / loss after finance costs but before exceptional item | 1,003 | 813 | 371 | 3,166 |
| Exceptional Item | | - | (482) | - |
| Profit after exceptional but before extraordinary items | 1,003 | 813 | (111) | 3,166 |
| Extraordinary Items | | (113) | | (842) |
| Profit Before Tax | 1,003 | 700 | (111) | 2,324 |
| Tax Expense | 427 | (21) | 416 | 597 |
| Net Profit after tax | 576 | 721 | (527) | 1,727 |
| Minority Interest | (116) | (51) | (252) | (764) |
| Net profit for the period/year | 460 | 670 | (779) | 963 |
| Paid up Equity Share Capital (Face Value of the Share Rs.2/- each) | 1,732 | 1,732 | 1,732 | 1,732 |
| Reserves excluding Revaluation reserve as per balance sheet of previous accounting year | - | - | - | 38,906 |
| Earnings Per Share (EPS) | | | | |
| a) Basic | 0.53 | 0.77 | (0.61) | 1.11 |
| b) Diluted | 0.39 | 0.58 | (0.45) | 0.82 |
| PARTICULARS OF SHAREHOLDING | | | | |
| Public Shareholding | | | | |
| - No. of shares | 53,693,857 | 48,603,857 | 48,161,762 | 48,603,857 |
| - Percentage of shareholding | 62.01 | 56.14 | 55.63 | 56.14 |
| Promoter & Promoter Group shareholding | | | | |
| a) Pledged / Encumbered | | | | |
| - No. of shares | 27,181,307 | 36,771,307 | 35,436,307 | 36,771,307 |
| - Percentage of shares (as a % of the total shareholding of Promoter & Promoter group) | 82.65 | 96.82 | 92.23 | 96.82 |
| - Percentage of shares (as a % of the total share capital of the company) | 31.39 | 42.47 | 40.93 | 42.47 |
| b) Non-encumbered | | | | |
| - No. of shares | 5,707,123 | 1,207,123 | 2,984,218 | 1,207,123 |
| - Percentage of shares (as a % of the total shareholding of Promoter & Promoter group) | 17.35 | 3.18 | 7.77 | 3.18 |
| - Percentage of shares (as a % of the total share capital of the company) | 6.59 | 1.39 | 3.45 | 1.39 |
| INVESTOR COMPLAINTS | | | | |
| - Pending at the beginning of the quarter | Nil | | | |
| - Received during the quarter | 4 | | | |
| - Disposed of during the quarter | 4 | | | |
| - Remaining unresolved at the end of the quarter | Nil | | | |

| SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED | | | | |
|--|---------------------------|---------------|---------------|----------------|
| Particulars | Quarter Ended (Unaudited) | | | Rs. In Lakhs |
| | Year Ended (Audited) | | | |
| 1. Segment Revenue (Net Sale / Income from each Segment) | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.06.2013 |
| a) Express Distribution & Supply Chain | 29,515 | 26,953 | 25,141 | 107,406 |
| b) Shipping | 737 | 398 | 639 | 2,405 |
| c) Fuel Sales | 4,944 | 4,633 | 3,822 | 16,708 |
| d) Other Sales | 1,143 | 245 | 232 | 907 |
| Total | 36,339 | 32,229 | 29,834 | 127,426 |
| Less: Inter Segment Revenue | (9) | (6) | (5) | (83) |
| Net Sales / Income from Operations | 36,330 | 32,223 | 29,829 | 127,343 |
| 2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment) | | | | |
| a) Express Distribution & Supply Chain | 2,223 | 2,023 | 2,463 | 10,310 |
| b) Shipping | (257) | (306) | (634) | (1,513) |
| c) Fuel Sales | 78 | 78 | 62 | 217 |
| d) Other Sales | 29 | 65 | 9 | 35 |
| Total | 2,073 | 1,860 | 1,900 | 9,049 |
| Less: i) Interest | 1,070 | 1,048 | 1,135 | 4,367 |
| ii) Other unallocable expenditure/Income net off | - | (1) | 394 | 1,516 |
| Total Profit before tax, Exceptional Items and Extraordinary Items | 1,003 | 813 | 371 | 3,166 |
| 3 Capital Employed | | | | |
| a) Express Distribution & Supply Chain | 65,296 | 67,956 | 20,598 | 67,956 |
| b) Shipping | 19,025 | 19,310 | 15,636 | 19,310 |
| c) Fuel Stations | 554 | 584 | 921 | 584 |
| e) Unallocated/ Corporate/Inter Segment | (7,230) | (9,745) | 5,146 | (9,745) |
| Capital Employed | 77,645 | 78,105 | 42,301 | 78,105 |

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Notes:

1. The company and its 12 subsidiaries including 5 overseas step down subsidiaries are engaged primarily in the business of running Express Distribution, Supply Chain Services, Shipping, Integrated Freight Forwarding, Warehousing and Fuel stations.
2. 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 to the Company, if the amounts are not paid within one month from 17th September 2013.
3. The Company has been allotted 34,57,236 Optionally Convertible Debentures of face value of Rs. 100/- each aggregating to Rs. 34,57,23,600 on 5th September 2013 by Amrit Jal Venture Private Limited (holding Company implementing Hydro Power Projects, in which the Managing Director is a director) and the options are exercisable after one year from the date of allotment with a coupon rate of 14.5% per annum.
4. 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 September 30, 2013, the loss on exchange variance of Rs 682.65 lakhs has been transferred to the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA). The amortization for the quarter on this account is Rs.172.85 lakhs. The balance of Rs. 2026.88 lakhs in the FCMITDA has been carried forward.
5. The standalone financial results of the company for the quarter ended 30th September, 2013 are as follows:

| Particulars | Quarter ended | | | Rs in Lakhs |
|----------------------|---------------|------------|------------|-------------|
| | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.06.2013 |
| Turnover | 7831 | 7441 | 2443 | 16113 |
| Profit before tax | 172 | 610 | 115 | 1618 |
| Net Profit after tax | 172 | 1024 | 106 | 2536 |
6. Tax expense is net of Income Tax Provision and recognition of Deferred Tax Asset/Liability.
7. 14, 53,255 options under Employee Stock Options Scheme were outstanding as on September 30, 2013.
8. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 6, 2013.
9. The statutory auditors have carried out a limited review of the above financial results.
10. The standalone financial results of the Company are available for investors at www.gati.com, www.nseindia.com and www.bseindia.com

For GATI LIMITED



Mahendra Agarwal
Founder & CEO

Place: Secunderabad
Date: November 6, 2013

GATI LIMITED

Regd. & Head Office: 1-7-293, M G Road, Secunderabad 500 003.

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

UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED 30th SEPTEMBER, 2013

Rs. In Lakhs

| Particulars | Standalone | | | |
|--|--------------------------|--------------|--------------|----------------------|
| | Quarter Ended(Unaudited) | | | Year Ended (Audited) |
| | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.06.2013 |
| Income from Operations | 2,604 | 2,105 | 2,417 | 9,386 |
| Net Sales | 4,944 | 4,615 | | 4,615 |
| Other Operating Income | 283 | 721 | 26 | 2,112 |
| Total Income | 7,831 | 7,441 | 2,443 | 16,113 |
| Expenditure: | | | | |
| - Cost of Sales | 4,846 | 4,522 | - | 4,522 |
| - Operating Expenses | 2,066 | 1,609 | 2,185 | 7,819 |
| - Employee Benefit Expenses | 351 | 398 | 245 | 1,273 |
| - Depreciation/ amortisation | 189 | 84 | 26 | 209 |
| - Other Expenses | 217 | 209 | 143 | 886 |
| Total | 7,669 | 6,822 | 2,599 | 14,709 |
| Profit/loss from Operations before Other Income, finance cost and exceptional items | 162 | 619 | (156) | 1,404 |
| Other Income | 160 | 182 | 274 | 812 |
| Profit before finance cost and exceptional item | 322 | 801 | 117 | 2,216 |
| Finance Cost | 150 | 191 | 127 | 598 |
| Profit / loss after finance costs but before exceptional item | 172 | 610 | (9) | 1,618 |
| Exceptional Item | - | - | 124 | |
| Profit before tax | 172 | 610 | 115 | 1,618 |
| Tax Expense | - | (414) | 9 | (918) |
| Net Profit after tax | 172 | 1,024 | 106 | 2,536 |
| Paid up Equity Share Capital (Face Value of the Share Rs.2/- each) | 1,732 | 1,732 | 1,732 | 1,732 |
| Reserves excluding Revaluation reserve as per balance sheet of previous accounting year | - | - | - | 81,823 |
| Earnings Per Share (EPS) | | | | |
| a) Basic | 0.20 | 1.18 | 0.13 | 2.93 |
| b) Diluted | 0.15 | 0.88 | 0.10 | 2.17 |
| PARTICULARS OF SHAREHOLDING | | | | |
| Public Shareholding | | | | |
| - No. of shares | 53,693,857 | 48,603,857 | 48,161,762 | 48,603,857 |
| - Percentage of shareholding | 62.01 | 56.14 | 55.63 | 56.14 |
| Promoter & Promoter Group shareholding | | | | |
| a) Pledged / Encumbered | | | | |
| - No. of shares | 27,181,307 | 36,771,307 | 35,436,307 | 36,771,307 |
| - Percentage of shares (as a % of the total shareholding of Promoter & Promoter group) | 82.65 | 96.82 | 92.23 | 96.82 |
| - Percentage of shares (as a % of the total share capital of the company) | 31.39 | 42.47 | 40.93 | 42.47 |
| b) Non-encumbered | | | | |
| - No. of shares | 5,707,123 | 1,207,123 | 2,984,218 | 1,207,123 |
| - Percentage of shares (as a % of the total shareholding of Promoter & Promoter group) | 17.35 | 3.18 | 7.77 | 3.18 |
| - Percentage of shares (as a % of the total share capital of the company) | 6.59 | 1.39 | 3.45 | 1.39 |
| INVESTOR COMPLAINTS | | | | |
| - Pending at the beginning of the quarter | Nil | | | |
| - Received during the quarter | 4 | | | |
| - Disposed of during the quarter | 4 | | | |
| - Remaining unresolved at the end of the quarter | Nil | | | |

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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. In Lakhs

| Particulars | Quarter Ended(Unaudited) | | | Year Ended (Audited) |
|---|--------------------------|---------------|--------------|-------------------------|
| | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.06.2013 |
| 1. Segment Revenue (Net Sale / Income from each Segment) | | | | |
| a) Express Distribution & Supply Chain | 2,887 | 2,808 | 2,443 | 11,482 |
| b) Fuel Sales | 4,944 | 4,633 | | 4,631 |
| Less: Inter Segment Revenue | | | | |
| Net Sales / Income from Operations | 7,831 | 7,441 | 2,443 | 16,113 |
| 2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment) | | | | |
| a) Express Distribution & Supply Chain | 244 | 723 | 117 | 2,138 |
| b) Fuel Sales | 78 | 78 | | 78 |
| Total | 322 | 801 | 117 | 2,216 |
| Less: i) Interest Expense | 150 | 191 | 127 | 598 |
| Total Profit before tax and Exceptional Item | 172 | 610 | (9) | 1,618 |
| 3. Capital Employed (Segment Assets - Segment Liabilities) | | | | |
| a) Express Distribution & Supply Chain | 97,388 | 95,117 | 1,732 | 95,117 |
| b) Fuel Stations | 554 | 584 | | 584 |
| c) Unallocated/ Corporate | (15,104) | (12,147) | - | (12,147) |
| Total | 82,838 | 83,554 | 1,732 | 83,554 |

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Notes:

1. Other operating income includes Rs.188.59 Lakhs profit on sale of land and management fee of Rs.81.08 Lakhs during the quarter. The other operating income of the previous quarter ending June 30, 2013 included dividend income of Rs. 350 Lakhs from subsidiaries.
2. 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 to the Company, if the amounts are not paid within one month from 17th September 2013.
3. The Company has been allotted 34,57,236 Optionally Convertible Debentures of face value of Rs. 100/- each aggregating to Rs. 34,57,23,600 on 5th September 2013 by Amrit Jal Venture Private Limited (holding Company implementing Hydro Power Projects, in which the Managing Director is a director) and the options are exercisable after one year from the date of allotment with a coupon rate of 14.5% per annum.
4. 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 September 30, 2013, the loss on exchange variance of Rs 682.65 lakhs during the quarter has been transferred to the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA). The amortization for the quarter on this account is Rs. 172.85 lakhs. The balance of Rs.2026.88 lakhs in the FCMITDA has been carried forward.
5. 14, 53,255 options under Employee Stock Options Scheme were outstanding as on September 30, 2013
6. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 6, 2013.
7. The figures of the current quarter are not comparable with those of the corresponding previous year due to the implementation of Scheme of Arrangement with effect from 31st March, 2013.
8. The statutory auditors have carried out a limited review of the above financial results.

For **GATI LIMITED**



Mahendra Agarwal
Founder & CEO

Place: Secunderabad
Date: November 6, 2013