

August 22, 2017

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel: 022 - 2272 1233/34 Fax: 022 - 2272 2131/1072/2037/2061/41 Email: <a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a> <a href="mailto:corp.compliance@bseindia.com">corp.compliance@bseindia.com</a>	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel: 022 - 2659 8235/36/452 Fax: 022 - 2659 8237/38 Email: <a href="mailto:cmlist@nse.co.in">cmlist@nse.co.in</a>
<b>Scrip Code: 532345</b>	<b>Scrip Code : GATI</b>

Dear Sir,

**Sub: - Outcome of Board Meeting**



In continuation of our letter dated August 5, 2017 and pursuant to Regulation 33 of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, we are enclosing the Statement of Unaudited Financial Results (Standalone and Consolidated) for the first quarter ended June 30, 2017, together with the Limited Review Report thereon, duly reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company, at its meeting held today.

The meeting of the Board of Directors commenced at 11.00 a.m. and concluded at 6.15 p.m.

This is for your kind information and records. Kindly acknowledge receipt.

Thanking you,

Yours faithfully,  
For **Gati Limited**

  
  
**Amit Pathak**  
Company Secretary & Compliance Officer

Encl: as above

**Corporate & Regd. Office: Gati Limited**

Plot No.20, Survey No.12, Kothaguda, Kondapur, Hyderabad - 500 084, Telangana, India. Tel.: (040) 71204284, Fax: (040) 23112318

investor.services@gati.com | CIN: L6301ITGI995PLC020121 | Toll Free No.: 1860 123 4284 | www.gati.com

## GATI LIMITED

CIN: L63011TG1995PLC020121

Regd. &amp; Corp Office: Plot No 20, Survey No 12, Kothaguda, Kondapur, Hyderabad 500 084

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

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 th JUNE, 2017**

Rs.In Lakhs

Particulars	Quarter Ended	
	30.06.2017	30.06.2016
	Unaudited	Unaudited
Revenue from Operations	42,669	42,554
Other Income ( Refer note No-5d)	2,644	239
<b>Total Income</b>	<b>45,313</b>	<b>42,793</b>
<b>Expenses:</b>		
- Purchases of Stock -in- trade	7,587	6,115
- Change in Inventories of Stock-in-trade	(42)	(73)
- Operating Expense	24,788	24,875
- Employee Benefits Expense	4,731	4,734
- Finance Cost	1,182	1,826
- Depreciation Expense	794	713
- Other Expenses	3,787	4,016
<b>Total Expenses</b>	<b>42,827</b>	<b>42,206</b>
<b>Profit before tax</b>	<b>2,486</b>	<b>587</b>
<b>Tax Expense</b>		
- Current tax	645	360
- Deferred Tax	10	(284)
<b>Net profit for the period before share in profit of associates and non-Controlling Interest</b>	<b>1,831</b>	<b>511</b>
Less:-Share of Profit/(Loss) of associates	-	-
<b>Profit for the period</b>	<b>1,831</b>	<b>511</b>
<b>Other Comprehensive income</b>		
- Items that will not be reclassified to Profit or loss	(47)	189
-Income Tax relating to Items that will not be reclassified to Profit or loss	4	3
<b>Other comprehensive income for the period, net of tax</b>	<b>(43)</b>	<b>192</b>
<b>Total Comprehensive income for the Period</b>	<b>1,788</b>	<b>703</b>
<b>Profit for the Period</b>	<b>1,831</b>	<b>511</b>
Attributable to:		
- Owners of equity	1,756	355
- Non-Controlling Interest	75	156
<b>Total Comprehensive income for the Period</b>	<b>1,788</b>	<b>703</b>
Total Comprehensive income attributable to:		
- Owners of equity	1,713	547
- Non-Controlling Interest	75	156
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	1,967	1,758
Earnings Per Share (EPS)- ( not annualised)		
a) Basic	1.95	0.40
b) Diluted	1.57	0.30

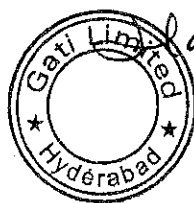


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**SEGMENT WISE REVENUE, RESULTS, ASSETS AND LAIBILITIES**

Rs.In Lakhs

Particulars	Quarter Ended	
	30.06.2017	30.06.2016
<b>1. Segment Revenue (Net Sales / Income from Segment)</b>		
	Unaudited	Unaudited
a) Express Distribution & Supply Chain	34,928	36,319
b) Fuel Stations	5,820	5,108
c) Others	2,062	1,134
<b>Total</b>	<b>42,810</b>	<b>42,561</b>
Less: Inter Segment Revenue	141	7
<b>Net Sales / Income from Operations</b>	<b>42,669</b>	<b>42,554</b>
<b>2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)</b>		
a) Express Distribution & Supply Chain	3,520	2,288
b) Fuel Stations	139	124
c) Others	9	1
<b>Total</b>	<b>3,668</b>	<b>2,413</b>
Less: Interest Expense	1,182	1,826
<b>Profit before tax</b>	<b>2,486</b>	<b>587</b>
<b>Segment Assets</b>		
a) Express Distribution & Supply Chain	1,12,913	1,17,710
b) Fuel Stations	1,677	1,580
c) Others	2,333	1,465
d) Unallocated	7,403	8,301
<b>Total Assets</b>	<b>1,24,326</b>	<b>1,29,056</b>
<b>Segment Liabilities</b>		
a) Express Distribution & Supply Chain	15,219	15,798
b) Fuel Stations	46	47
c) Others	1,880	997
d) Unallocated	56,146	64,922
<b>Total Liability</b>	<b>73,291</b>	<b>81,764</b>



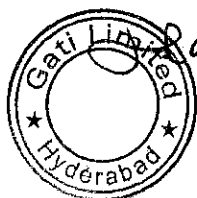
*(Signature)*

Notes:

1. The Unaudited Consolidated financial figures have been reviewed by the Audit Committee at its meeting held on August 21, 2017 and approved by the Board of Directors at its meeting held on August 22, 2017. A limited review of the financial figures has been carried out by the Statutory Auditors of the company and its subsidiary Gati-Kintetsu Express Pvt Ltd. In regard to other subsidiaries, reliance is placed on the management accounts. The figures for the quarter ended June 30,2017 has been subjected to limited review by the statutory auditor
2. The company and its 10 subsidiaries (including 3 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 running Fuel stations.
3. Results for the quarter ended June 30, 2017 are in compliance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Company Affairs. Accordingly, the results for the quarter ended June 30, 2016 has been restated as per Ind AS on like to like basis.
4. Statement of reconciliation of net profit under Ind AS and Indian GAAP for the quarter ended June 30, 2016 is as under:

Particulars	Rs.Lakhs
	Quarter Ended 30th June 2016
<b>Net profit under Indian GAAP</b>	1181
<b>Adjustments:</b>	
Provision for expected credit loss (ECL) on trade receivable	(394)
Interest on Foreign Currency Convertible Bonds(FCCB)	(409)
Reversal of Foreign currency monetary item translation difference account	105
Reversal of Interest on Investments at fair value	(145)
Impact due to fair valuation of Deposits	(2)
Premium provision provided on Debentures	(110)
Other Adjustments	(27)
Deferred Tax on above adjustments	312
<b>Net profit under IND AS</b>	<b>511</b>
Other Comprehensive income (Net of tax)	192
<b>Total Comprehensive income under IND AS</b>	<b>703</b>

5. a) Out of 22,182 Foreign Currency Convertible Bonds (FCCBs), the company has
  - i) Redeemed 7,528 FCCBs and converted 7,373 FCCBs bonds into equity shares of the company as approved by the Board of Directors at their meeting held on 14<sup>th</sup> June, 2017 and
  - ii) Subsequent to June 30, 2017, 7281 FCCBs were converted into equity shares of the company as approved by the FCCB Committee at their Meeting held on 8<sup>th</sup> August 2017.
- b) The Board of Directors of the company has allotted 1,88,316 equity shares to employees on exercise of options issued under plan 11 of Employee Stock Options Scheme at a premium of Rs.43.60 per share. 7,65,187 options under Employee Stock Options Scheme were outstanding as on 30<sup>th</sup> June, 2017.
- c) Consequently, the Equity Share capital of the company has increased from 8,81,82,054 to 9,83,69,869 including allotment on account of 99,99,499 shares to the FCCB holders. The promoter shareholding stand reduced by 3.72% as of June 2017.



*Signature*

d) Other Income includes exchange gain of Rs.908 lakhs on conversion of 7,373 FCCBs and Rs.1,571 lakhs the premium part on redemption of FCCBs on the basis of accounting under Ind AS.

6. a) The subsidiary company Gati-Kintetsu Express Pvt Ltd has declared a dividend @ 2960% (Rs.296 /- per equity share ) at the Annual General Meeting held on 1<sup>st</sup> August 2017. The company's share of dividend from the subsidiary is Rs.1036 lakhs which will be accounted in the next quarter.

b) The Board of Directors has recommended a dividend of Re 0.80 per share (40%) for the financial year 2016-17 at their meeting dated May 06, 2017 which has been subsequently approved by the shareholders at the Annual General Meeting held on August 01, 2017 aggregating to Rs.787 lakhs. This amount would be appropriated from surplus in retained earnings of the Balance Sheet.

7. As required under Ind AS 101 "First time adoption", as part of transition adjustments, certain investments in equity and other instruments (other than subsidiaries) have been assessed for fair value by an independent valuer as mandated by Ind AS 109 'Financial Instruments' resulting in a reduction in carrying value amounting to Rs.8,890 lacs which has been adjusted in "Other Equity" as on Ind AS transition date April 01, 2016.

8. IDFC Bank Limited has invoked the Corporate Guarantee given by the company for recovery of Rs.2360 lakhs due by Gati Infrastructure Pvt.Ltd. The matter is pending adjudication before Debt Recovery Appellate Tribunal, New Delhi. In the meantime, the principal borrower is taking steps to negotiate and settle the matter.

9. The standalone financial results of the Company are available at [www.gati.com](http://www.gati.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

For GATI LIMITED

Place: Hyderabad  
Date: August 22, 2017

  
Mahendra Agarwal  
Founder & CEO  
DIN: 00179779





### LIMITED REVIEW REPORT

To The Board of Directors

**GATI LIMITED**

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of **GATI Limited** ("the Company") and its subsidiaries (the Company and its subsidiaries constitute 'the Group') for the quarter ended 30 June, 2017, being submitted by the Company pursuant to the requirement of Regulation of 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. Attention is drawn to the fact that the figures for the corresponding quarter ended June'30, 2016 including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under previous GAAP, as reported in these financial results has been approved by the Company's Board of Directors but has not been subjected to review.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
4. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

The Statement includes the results of the following entities:

SI No	Name of the Entity	Relationship
1	Gati- Kintetsu Express Pvt. Ltd.	Subsidiary
2	Gati Kausar India Ltd.	Subsidiary
3	Gati Asia Pacific Pte Ltd. (including its following subsidiaries) (a) Gati Hong Kong Ltd. (b) Gati Cargo Express (Shanghai) Co. Ltd. (c) Gati (Thailand) Co. Ltd.	Subsidiary
4	Gati Import Export Trading Ltd.	Subsidiary
5	Zen Cargo Movers Pvt Ltd.	Subsidiary
6	Gati Logistics Parks Pvt. Ltd.	Subsidiary
7	Gati Projects Pvt. Ltd	Subsidiary

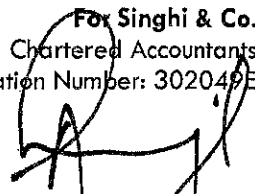


5. We did not review the financial results of 9 subsidiaries (including 3 step down subsidiaries ) included in the unaudited consolidated financial results, whose financial results reflect total assets of Rs. 15340 lakhs and total revenues of Rs.4619 lakhs for the Quarter ended 30 June, 2017, as considered in the unaudited consolidated financial results. These financial results have not been reviewed by their auditors and are based solely on the management certified accounts. Our conclusion is not modified in respect of this matter.
6. Without qualifying our report, we draw attention to the fact that in one of the subsidiary company, remuneration paid to the Executive Chairman of the Company during the year ended March 31, 2017, which has exceeded the limit prescribed under section 197 by Rs. 63 lakhs. As informed to us, the Company has filed application / made further representation to the Central Government for the waiver of above excess remuneration and pending receipt of the approval, no adjustments to financial results have been made.
7. Based on our review conducted as stated above and based on the consideration of management certified accounts referred to above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards. ('Ind As') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or it contains any material misstatement.

Place: Hyderabad  
Dated: 22<sup>nd</sup> day of Aug, 2017



For Singhi & Co.  
Chartered Accountants  
Firm Registration Number: 302049E



(Anurag Singhi)  
Partner

Membership Number: 066274

## GATI LIMITED

CIN : L63011TG1995PLC020121

Regd. &amp; Corp Office: Plot no.20, Survey no.12, Kothaguda, Kondapur, Hyderabad - 500 084.

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

## STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2017

Rs in Lakhs

Particulars	Quarter Ended	
	30.06.2017	30.06.2016
	Unaudited	Unaudited
Revenue from operations	11,936	12,762
Other Income (Refer note no-5d)	2,736	245
<b>Total Income</b>	<b>14,672</b>	<b>13,007</b>
<b>Expenditure:</b>		
Purchase of Stock in trade	5,635	4,983
Change in inventories of stock in trade	32	(26)
- Operating Expenses	4,842	5,400
- Employee benefits expense	761	838
- Finance Cost	564	1,118
- Depreciation expense	137	123
- Other expenses	400	487
<b>Total expenses</b>	<b>12,371</b>	<b>12,923</b>
<b>Profit before tax</b>	<b>2,301</b>	<b>84</b>
<b>Tax expenses</b>		
Current tax	478	96
Deferred tax	18	(180)
<b>Profit for the period</b>	<b>1,805</b>	<b>168</b>
<b>Other Comprehensive Income :</b>		
-Items that will not be reclassified in profit or loss	(39)	50
-Income tax relating to items that will not be reclassified to profit or loss	3	2
<b>Other comprehensive income for the period, net of tax</b>	<b>(36)</b>	<b>52</b>
<b>Total Comprehensive income for the Period</b>	<b>1,769</b>	<b>220</b>
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	1,967	1,758
<b>Earnings Per Share(EPS) (Not annualised)</b>		
- Basic	2.01	0.19
- Diluted	1.62	0.14



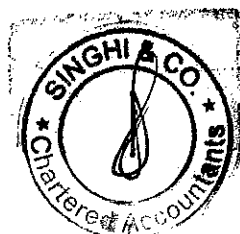


Notes:

1. The Unaudited financial figures have been reviewed by the Audit Committee at its meeting held on August 21, 2017 and approved by the Board of Directors at its meeting held on August 22, 2017. The results for the quarter ended June 30, 2017 has been subjected to limited review by the statutory auditor.
2. The Company is mainly engaged in E-commerce logistics, Integrated Freight Forwarding, running of Fuel Stations and overseeing the operations of its subsidiaries.
3. Results for the quarter ended June 30, 2017 are in compliance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Company Affairs. Accordingly, the results for the quarter ended June 30, 2016 has been restated as per Ind AS on like to like basis.
4. Statement of reconciliation of net profit under Ind AS and Indian GAAP for the quarter ended June 30, 2016 is as under:

(Rs. In lakhs)	
Particulars	Quarter Ended 30th June 2016
<b>Net profit under Indian GAAP</b>	488
<b>Adjustments:</b>	
Provision for expected credit loss (ECL) on trade receivable	(93)
Interest on Foreign Currency Convertible Bonds(FCCB)	(409)
Reversal of Foreign currency monetary item translation difference account	105
Reversal of Interest on Investments at fair value	(145)
Impact due to fair valuation of Deposits	40
Other Adjustments	(21)
Deferred Tax on above adjustments	203
<b>Net profit under IND AS</b>	<b>168</b>
Other Comprehensive income (Net of tax)	52
<b>Total Comprehensive income under IND AS</b>	<b>220</b>

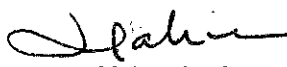
5. a) Out of 22,182 Foreign Currency Convertible Bonds (FCCBs), the company has
  - i) Redeemed 7,528 FCCBs and converted 7,373 FCCBs bonds into equity shares of the company as approved by the Board of Directors at their meeting held on 14<sup>th</sup> June, 2017 and
  - ii) Subsequent to June 30, 2017, 7281 FCCBs were converted into equity shares of the company as approved by the FCCB Committee at their Meeting held on 8<sup>th</sup> August 2017.
- b) The Board of Directors of the company has allotted 1,88,316 equity shares to employees on exercise of options issued under plan 11 of Employee Stock Options Scheme at a premium of Rs.43.60 per share. 7,65,187 options under Employee Stock Options Scheme were outstanding as on 30<sup>th</sup> June, 2017.
- c) Consequently, the Equity Share capital of the company has increased from 8,81,82,054 to 9,83,69,869 including allotment on account of 99,99,499 shares to the FCCB holders. The promoter shareholding stand reduced by 3.72% as of June 2017.
- d) Other Income includes exchange gain of Rs.908 lakhs on conversion of 7,373 FCCBs and Rs.1,571 lakhs the premium part on redemption of FCCBs on the basis of accounting under Ind AS.

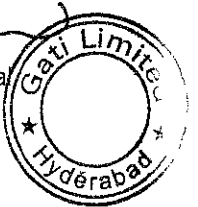


6. a) The subsidiary company Gati-Kintetsu Express Pvt Ltd has declared a dividend @ 2960% (Rs.296 /- per equity share ) at the Annual General Meeting held on 1<sup>st</sup> August 2017. The company's share of dividend from the subsidiary is Rs.1036 lakhs which will be accounted in the next quarter.
- b) The Board of Directors of the company has recommended a dividend of Re 0.80 per share (40%) for the financial year 2016-17 at their meeting dated May 06, 2017 which has been subsequently approved by the shareholders at the Annual General Meeting held on August 01, 2017 aggregating to Rs.787 lakhs. This amount would be appropriated from surplus in retained earnings of the Balance Sheet.
7. As required under Ind AS 101 "First time adoption", as part of transition adjustments, certain investments in equity and other instruments (other than subsidiaries) have been assessed for fair value by an independent valuer as mandated by Ind AS 109 'Financial Instruments' resulting in a reduction in carrying value amounting to Rs.8,890 lacs which has been adjusted in "Other Equity" as on Ind AS transition date April 01, 2016.
8. IDFC Bank Limited has invoked the Corporate Guarantee given by the company for recovery of Rs.2360 lakhs due by Gati Infrastructure Pvt.Ltd. The matter is pending adjudication before Debt Recovery Appellate Tribunal, New Delhi. In the meantime, the principal borrower is taking steps to negotiate and settle the matter.

For GATI LIMITED

Place: Hyderabad  
Date: August 22, 2017

  
Mahendra Agarwal  
Founder & CEO,  
DIN: 00179779



### LIMITED REVIEW REPORT

To The Board of Directors of  
**GATI LIMITED**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Gati Limited ('the Company'), for the quarter ended June 30, 2017 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation of 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. Attention is drawn to the fact that the figures for the corresponding quarter ended June 30, 2016 including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under the previous GAAP, as reported in these financial results has been approved by the Company's Board of Directors but has not been subjected to review.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
4. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. Without qualifying our report, we draw our attention to the following –
  - a.) Loans given to a subsidiary amounting to Rs. 1900 lakhs in earlier years, which is outstanding as at the reporting date. The management is confident of recovery of the amount in due course and no provision is considered necessary for any possible losses that may arise in this behalf.
  - b.) Investment is made in a subsidiary amounting to Rs. 3992 lakhs in earlier years has been valued at carrying cost under Ind AS on the date of transition to Ind AS, 01.04.2016. The said subsidiary is incurring losses and the networth has been considerably eroded. In the opinion of the management, the performance of the subsidiary is expected to improve and no provision is considered necessary for diminution in the value of investments.



# Singhi & Co.


Chartered Accountants

.....contd.

6. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or it contains any material misstatement.

Place: Hyderabad  
Dated: 22<sup>nd</sup> day of August, 2017



For Singhi & Co.  
Chartered Accountants  
Firm Registration Number: 302049  
  
(Anurag Singhi)  
Partner  
Membership Number: 066274