



Press Release

Gati Limited Reports Robust Q1 Results

Total Income up by 32%, Net Profit up by 65%

Hyderabad, October 29th, 2010: Gati Ltd, India's leading Express Distribution and Supply Chain Solutions provider today announced the financial results for the first quarter ended September 30th, 2010. The company posted a total income of Rs. 2,265 mn and a profit after tax of Rs 37.5 mn as compared to a total income of Rs. 1,715 mn and a profit after tax of Rs 22.7 mn for the corresponding quarter in the previous year. This signifies an impressive growth of 32 % on total income and 65% on profit after tax.

The Express Distribution and Supply chain business has shown a phenomenal growth in income having registered Rs. 1967 mn, a growth of 32% over the corresponding quarter in the previous year.

The Coast-to-Coast (shipping) division has registered a growth of 35% in income in spite of the impact of economic turbulence in the shipping industry. The shipping division posted total revenue of Rs 285 mn for the first quarter as compared to Rs 211 mn in the corresponding quarter of previous year.

Business Highlights:

1. Moving towards becoming a knowledge company and an integrated supply chain solutions provider to its customers, Gati launched **RedSun**, a new division offering complete Supply Chain Solutions. **RedSun** will be a company high on knowledge assets and lean on physical assets. **RedSun** will offer Temperature Sensitive services (cold chain solutions), Re-engineering services, Managed services, Value Added distribution and SME Logistics support.

2. Riding on the best and the widest distribution network and a reach in the entire country, Gati for the first time ventured into web services with the launch of its brand new online portal “www.makemygiftz.com”. The online web service is a unique consumer offering, the first of its kind in India where a customer can place orders online for any of the selected “Best of India” products and it will be delivered at their doorstep with a special, personalized packaging. This initiative will take Brand Gati further up the value chain towards becoming a ‘Consumer Brand’.
3. Gati has embarked on a path breaking internal CHANGE initiative – “**Go To Market**” (GTM). “Go To Market” is an internal drive that will orient the team towards being more customer centric and rise up the value Chain. The new GTM Strategy will set industry benchmarks in customer service and will help differentiate Gati from its competition. It will lay emphasis on people, process, product and technology, thus creating Value for its customers.

Commenting on the first quarter results, **Mr. Mahendra Agarwal, Founder and CEO, Gati Limited** said, *“In the first quarter, we registered significant growth in revenues compared to the previous quarter. Our strategy is clearly on a focused growth for the two major areas we see as the future of Gati – the Express Distribution business and the Supply Chain Solutions business. We will focus on the Auto, Telecom, Consumer Electronics and Consumer Durables sector and we are confident, we shall be the market leader in the Supply Chain solutions business in India”.*

About Gati Limited:

Gati Limited was the pioneer and is now the leader in Express Distribution and Supply Chain Solutions in India. Having started as a cargo management company in 1989, Gati has grown into an organization with more than 3500 employees and an annual turnover of Rs. 7447 mn covering 622 out of 626 districts in India. Gati has over 4000 vehicles on the road not including their fleet of refrigerated vehicles, container shipping vessels and world class warehousing facilities across India. Furthermore Gati has a strong market presence in the Asia Pacific region and SAARC countries. Today, Gati has offices in Singapore, Beijing, Shanghai, Qingdao, Hong Kong, Bangkok, Kuala Lumpur and Dubai apart from SAARC countries that concentrate on India-centric distribution solutions.