



## **Gati Consolidated Revenue from operations stood at INR 4,397 mio in Q2 FY20.**

**Hyderabad, November 5th, 2019:** GATI Ltd. (NSE: GATI, BSE: 532345) India's leader in Express Distribution and Supply Chain Solutions, published its financial results for the second quarter ending 30<sup>th</sup> September 2019.

Gati Standalone registered a total revenue from operations of INR 1,042 mio in Q2FY20 compared to INR 1,183 mio in Q1FY20. The PBT is INR (23) mio in Q2 FY20 compared to INR (17) mio in Q1 FY20. The drop in business performance is on account of an abrupt slowdown in cross-border e-commerce and in the local TV-commerce, coinciding with a low seasonality quarter in domestic e-commerce business.

The company's flagship Express Distribution entity, Gati-Kintetsu Express Private Limited (GKEPL) recorded a revenue of INR 3,042 mio in Q2 FY20 as against INR 3005 mio in Q1 FY20. PBT stands at INR 62 mio for Q2 FY20 after factoring in an adverse lease accounting impact of INR (21) mio for H1 FY20 due to Ind-AS 116 adoption, versus INR 86 mio in Q1 FY20. Considering this accounting impact evenly between the two quarters, the restated Q2 FY20 to be read as INR 72 mio as compared to INR 76 mio of Q1 FY20. While the overall economy has remained sluggish, the company has sustained both its top line and bottom line in B2B segment.

Gati Kausar achieved an EBIDTA of INR 12 mio in Q2 FY20 versus INR 25 mio in a high business season of Q1 FY20. PBT for Q2 FY20 is INR (37) mio versus INR (23) mio in Q1 FY20.

Gati's consolidated revenue from operations stands at INR 4,397 mio in Q2 FY20 compared with INR 4,581 mio in Q1 FY20. The consolidated PBT for the period is INR (86) mio against INR 48 mio in corresponding period last year. The drop in top line is mainly attributed to low seasonality of e-commerce and cold chain verticals in Q2 FY20 with consequent impact in bottom line.

Commenting on the company's quarterly performance, **Mr. Mahendra Agarwal, Founder & CEO** said, "While there is a palpable slowdown in the economy, it is only a question of time before business momentum picks up again in the near term, especially with the upcoming festive season. Gati shall continue to invest in operations and IT capabilities to realize the immense business potential that the country has to offer in the medium to long term."

### **About Gati Ltd:**

Gati Limited ([www.gati.com](http://www.gati.com)) is a pioneer and leader in Express Distribution and Supply Chain Solutions in India and delivers over 6 mio packages a month. Gati started in 1989 as a cargo management company and expanded to serving complex business solutions in Air & Surface Distribution, E-Commerce Logistics, Warehousing, Value-added Transportation, Freight Forwarding and Cold Chain. Gati has now grown into an organization with more than 5,000 business partners with a network reach of 700 plus districts covering 99% of India. Gati has a 5000 plus fleet including refrigerated vehicles and world class warehousing facilities across India, with significant additional presence also in the Asia Pacific region and South Asian countries.