July 03, 2020

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel: 022 - 2272 1233 / 34 Fax: 022 - 2272 2131 / 1072/ 2037 / 2061 / 41 **Scrip Code:** 532345 **ISIN No.:** INE152B01027 **Re.:** Gati Limited	**National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel: 022 - 2659 8235 / 36 / 452 Fax: 022 - 2659 8237/ 38 **Symbol :** GATI **ISIN No.:** INE152B01027 **Re.:** Gati Limited

Dear Sir/Ma'am,

Sub.: Outcome of the meeting of the Board of Directors of the Company, held on Friday, July 03, 2020 in terms of Regulation 30(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and amendment thereto.

Pursuant to Regulation 30(2) and 33 of Listing Regulations read with Para A of Part A of Schedule III, the Board of Directors of the Company at their meeting held today i.e. Friday, July 03, 2020, has *inter-alia* considered and approved the following:

1. Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2020, as recommended by the Audit Committee of the Company along with the Auditor's Report with modified opinion issued by Statutory Auditors of the Company. The copy of the financial results along with Auditor's Report and the statement showing impact of audit qualifications are enclosed herewith as '**Annexure A'.**

2. Based on recommendations by Nomination and Remuneration Committee, appointed Ms. Cynthia D'Souza (DIN: 00420046), Mr. Mohinder Pal Bansal (DIN: 01626343), Mr. Dinesh Kumar Lal (00037142), as an Additional, Non-Executive, Independent Directors of the Company for a tenure of 5 years and Mr. Adarsh Hegde (DIN: 00035040) and Mr. Jatin Chokshi (DIN: 00495015) as an Additional, Non-Executive, Non-Independent Directors of the Company with immediate effect i.e. July 03, 2020, which shall be subject to the approval of the Members of the Company. In accordance with the circular issued by Stock Exchanges dated June 20, 2018, we hereby confirm that all the aforesaid Additional Directors are not debarred from holding office as a Director of the Company, by virtue of any SEBI Order or any other authority.

Details of the aforesaid Additional Directors as required under SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015, is enclosed as **'Annexure B'**.

The information contained in this outcome is also available on the Company's website www.gati.com, on the website of the National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com).

The Board Meeting commenced at 2:30 P.M. and concluded at 10:35 P.M.

We request you to take the same on record.

Thanking you,

Yours faithfully,
For **Gati Limited**

T.S. Maharani
Company Secretary & Compliance Officer
M. No.: F8069

Encl.: As above

ANNEXURE - A

Singhi & Co.
Chartered Accountants

161, Sarat Bose Road
Kolkata-700 026, (India)
T +91(0)33-2419 6000/01/02
E kolkata@singhico.com
www.singhico.com

Independent Auditor's Report

To The Board of Directors of Gati Limited

Report on the audit of the standalone annual financial results

Qualified Opinion

We have audited the accompanying standalone annual financial results of Gati Limited ('the Company") for the year ended 31st March 2020 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulation").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone annual financial results:

(a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(b) except for the possible effect of the matters described in 'Basis for Qualified Opinion' paragraph below, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the year ended 31st March 2020.

Basis of Qualified Opinion

Attention is drawn to Note 5 of the accompanying standalone financial results, which states that in earlier years, the Company has given operational advances to few parties aggregating Rs. 1849 Lakhs which is long overdue and the full recoverability of which is doubtful. As set out in the aforesaid note, the management is making necessary efforts to ensure collection of dues from those parties. No impairment allowance for uncertainty in collectability has been recognized against above advances. Based on the information received from the management of the Company regarding the assumptions used in assessing the recoverability of this amount, we were unable to determine the impact on the standalone financial results, of a potential adjustment for impairment that might have been necessary in order to present the balance at its estimated recoverable value.

Our opinion is qualified in respect of the above matter

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with the requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the standalone annual financial results.

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Emphasis of Matter

We draw your attention to Note 9 to the standalone financial results regarding loans given to a subsidiary amounting to Rs. 2001 Lakhs in earlier years, which are 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.

Our opinion is not qualified in respect of the above matter.

Management's and Board of Directors' Responsibilities of the Standalone Annual Financial Results

These standalone annual results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial results that individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Other Matters

The standalone annual financial results include the results for the quarter ended 31st March, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us, as required under the listing regulations.

SINGHI & CO. * Chartered Accountants *

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

(Anurag Singhi)
Partner
Membership No.: 066274
UDIN: 20066274AAAAAX5130

Place: Kolkata
Date: July 3, 2020

GATI LIMITED

CIN : L63011TG1995PLC020121

Regd. & 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 AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020

(₹. in Lakhs)

Particulars	QUARTER ENDED			YEAR ENDED	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
Income:					
Revenue from operations	8,699	11,564	12,684	42,514	51,618
Other Income	424	328	634	2,037	2,627
Total Income	**9,123**	**11,892**	**13,318**	**44,551**	**54,245**
Expenditure:					
Purchase of Stock in trade	6,067	6,802	7,002	26,575	28,355
Changes in inventories of stock in trade	31	(17)	(79)	72	(61)
Operating Expenses	1,999	3,634	4,167	12,691	16,876
Employee benefits expense	366	684	759	2,397	2,723
Finance Cost	330	298	355	1,255	1,509
Depreciation and Amortisation expense	82	94	95	368	401
Other expenses	1,589	808	626	3,344	1,887
Total expenses	**10,464**	**12,303**	**12,925**	**46,702**	**51,690**
Profit/(Loss) Before Exceptional items and Tax	**(1,341)**	**(411)**	**393**	**(2,151)**	**2,555**
Exceptional Items	-	-	-	-	-
Profit /(Loss) Before Tax	**(1,341)**	**(411)**	**393**	**(2,151)**	**2,555**
Tax expenses					
Current tax	-	-	-	-	130
Deferred tax	-	-	-	-	-
Tax Related to earlier years (Refer Note 7b)	3,697	(66)	-	3,631	-
Profit/(Loss) for the period	**(5,038)**	**(345)**	**393**	**(5,782)**	**2,425**
Other Comprehensive Income :					
-Items that will not be reclassified in profit or loss	25	(9)	(50)	(52)	(187)
- Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
Other Comprehensive income for the period, net of tax	**25**	**(9)**	**(50)**	**(52)**	**(187)**
Total Comprehensive income for the Period	**(5,013)**	**(354)**	**343**	**(5,834)**	**2,238**
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	**2,439**	**2,172**	**2,171**	**2,439**	**2,171**
Other Equity				77,568	74,554
Earnings Per Share(EPS)					
- Basic	(4.53)	(0.32)	**0.36**	(5.20)	**2.24**
- Diluted	(4.53)	(0.32)	**0.36**	(5.19)	**2.23**

GATI LIMITED HYDERABAD

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SINGHI & CO. Chartered Accountants

(₹. in Lakhs)

Audited Standalone Statement of Assets & Liabilities

Particulars	As at 31 March 2020	As at 31st March 2019
ASSETS		
Non - Current Assets		
Property, Plant & Equipment	24,581	28,235
Capital Work in Progress	-	51
Right-of-use Asset	1,039	-
Investment in Subsidiaries	56,396	56,785
Financial Assets		
Investments	-	240
Loans	1,795	2,005
Deferred Tax Assets (Net)	-	-
Non Current Tax Asset	1,764	1,373
Other Non-Current Assets	177	1,291
	85,752	**89,980**
Current Assets		
Inventories	202	274
Financial Assets		
Current Investments	7,782	
Trade Receivables	2,122	4,050
Cash and Cash Equivalents	1,028	1,323
Bank Balance other than above	554	2,005
Loans	18	10
Others	2,704	2,644
Other Current Assets	348	375
Assets classified as held for sale	2,849	
	17,607	**10,681**
Total	**1,03,359**	**1,00,661**
EQUITY AND LIABILITES		
Shareholders' Funds		
Equity Share Capital	2,439	2,171
Other Equity	77,568	74,554
	80,007	**76,725**
Non-Current Liabilities		
Financial Liabilities		
Long Term Borrowings	4,600	7,503
Lease Liabilities	47	-
Other Non Current Liabilities	67	694
Provision	32	54
	4,746	**8,251**
Current Liabilities		
Financial Liabilities		
Short Term Borrowings	2,104	1,046
Lease Liabilities	30	
Trade Payables		
Total Outstanding Dues of micro and small enterprises	-	-
Total Outstanding Dues of creditors other than micro and small enterprises	4,548	6,508
Others	8,278	7,607
Other Current Liabilities	106	508
Current Tax Liabilities	3,535	
Provisions	5	16
	18,606	**15,685**
Total	**1,03,359**	**1,00,661**

GATI LIMITED HYDERABAD

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GATI LIMITED

Cash Flow Statement for the year ended March 31, 2020

(₹. in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A: Cash Flow From Operating Activities		
Profit/(Loss) Before Taxes as per Statement of Profit and Loss	(2,151)	2,555
Adjustments For :		
Depreciation and Amortization expense	368	401
Net Gain on disposal of Property, plant & equipment	(51)	(25)
Impairment allowance for Investment	760	-
Expenses on Employee Stock Option scheme	(9)	1
Finance Costs	1,255	1,510
Allowance for Doubtful Receivables	215	75
Bad debts and irrevocable balances written off	59	-
Capital work-in-progress & Other advance written off	72	-
Provision for loss allowances recognised in earlier years	(18)	-
Allowance for advances	118	-
Interest Income	(273)	(732)
Net Gain on Investments measured at FVTPL	(62)	-
Interest Income on Refund of Income Tax	(86)	-
Liabilities no longer required written back	(108)	(330)
Dividend income from a Subsidiary	(756)	(867)
Operating Profit/(Loss) Before changes in operating assets and liabilities	**(667)**	**2,588**
Adjustment for changes in operating assets and liabilities:		
Decrease / (Increase) in Inventories	72	(61)
Decrease / (Increase) in Trade receivables	1,672	(529)
Decrease /(Increase) in Other current Assets	124	(16)
Decrease / (Increase) in Other Current Financial Assets	(149)	221
Decrease /(Increase) in Loans and Non Current Assets	(8)	(2)
Increase / (Decrease) in Trade payable	(1,960)	2,292
Increase / (Decrease) in Current Financial Liabilities	(528)	(125)
Increase / (Decrease) in Current Liabilities	(43)	296
Increase / (Decrease) in provisions	(33)	23
Cash generated from Operating Activities	(1,520)	4,686
Direct Taxes paid (net of refunds)	(401)	383
Net Cash generated/ (used) from Operating Activities	**(1,921)**	**5,069**
B: Cash Flow From Investing Activities :		
Sale proceeds from Property ,Plant and equipment	418	38
Purchase of Property ,Plant and equipment including Capital work in progress	(126)	(75)
Purchase of Current Investments	(7,720)	-
Sale proceeds from Current / Non current Investments	163	1
Investments in Bank Fixed Deposit	1,451	(722)
Interest Received	127	106
Dividend income from a Subsidiary	756	867
Net Cash generated/(used) in Investing Activities	**(4,931)**	**215**
C: Cash Flow From Financing Activities		
Proceeds from issue of equity shares (Net of issue Expenses)	10,007	113
Proceeds from long term borrowings	49	-
Repayment of long term borrowings	(2,343)	(3,001)
Proceeds from Public deposits	186	367
Repayment of Public desposits	(244)	(382)
Dividend Paid including tax	(892)	(999)
Movement in short term borrowings (Net)	1,058	350
Payment of Principal Portion of Lease liabilities	(30)	-
Payment of interest on Lease liabilities	(13)	-
Finance Cost	(1,221)	(1,497)
Net Cash generated/ (used) from Financing Activities	**6,557**	**(5,049)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(295)	235
Cash and Cash Equivalents as at the beginning of the year	1,323	1,088
Cash and Cash Equivalents as at the end of the year	**1,028**	**1,323**

GATI LIMITED HYDERABAD

SINGHI & CO. Chartered Accountants

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Audited Standalone Segment wise Revenue, Results, and Assets and liabilities for the Quarter and year ended 31st March 2020					
					₹. in Lakhs
Particulars	**Quarter Ended**			**Year Ended**	
1. Segment Revenue (Net Sale / Income from each Segment)	**31.03.2020**	**31.12.2019**	**31.03.2019**	**31.03.2020**	**31.03.2019**
	Audited	**Unaudited**	**Audited**	**Audited**	**Audited**
a) Express Distribution	2,416	4,554	5,515	15,007	22,409
b) Fuel Station	6,283	7,010	7,169	27,507	29,209
Total	**8,699**	**11,564**	**12,684**	**42,514**	**51,618**
Less: Inter Segment Revenue	-	-	-	-	-
Net Sales / Income from Operations	**8,699**	**11,564**	**12,684**	**42,514**	**51,618**
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)					
a) Express Distribution	(1,148)	(285)	538	(1,551)	3,306
b) Fuel Station	137	172	210	655	758
Total	**(1,011)**	**(113)**	**748**	**(896)**	**4,064**
Less: Finance Cost	(330)	(298)	(355)	(1,255)	(1,509)
Profit /(Loss) Before Tax	**(1,341)**	**(411)**	**393**	**(2,151)**	**2,555**
3. Segment Assets					
a) Express Distribution	33,871	34,404	37,203	33,871	37,203
b) Fuel Station	1,658	2,154	2,965	1,658	2,965
c) Unallocated	67,830	60,860	60,493	67,830	60,493
Total Assets	**1,03,359**	**97,418**	**1,00,661**	**1,03,359**	**1,00,661**
Segment Liabilities					
a) Express Distribution	6,696	9,772	9,610	6,696	9,610
b) Fuel Station	46	51	66	46	66
c) Unallocated	16,610	12,620	14,260	16,610	14,260
Total Liabilities	**23,352**	**22,443**	**23,936**	**23,352**	**23,936**

GATI LIMITED HYDERABAD

SINGHI & CO. Chartered Accountants

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Notes:

1. The audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 3, 2020. In compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended, ("SEBI Listing Regulations"). These financial results have been audited by the Statutory Auditors of the Company.

2. The Company is mainly engaged in E-commerce logistics, Integrated Freight Forwarding, running of Fuel Stations.

3. Pursuant to the direction of the Hon`ble High Court of New Delhi in an appeal filed by Air India against the arbitral award, an amount of ₹ 2,200 Lakhs was made over to the Company i.e. Gati Limited, in an earlier year. Property at Hyderabad was offered as interim collateral security is pending. An application has been filed for release of above mentioned collateral and is listed and is pending for hearing. Necessary adjustments, if any, will be made in the accounts upon the decision of the Hon`ble High Court of New Delhi.

4 The Operating loss for quarter ended March, 2020 and for the Financial year ended March, 2020 in case of the Company is mainly attributable to a drop in cross border E commerce and TV commerce business, coinciding with a shift in domestic E commerce market dynamics with increased price competitiveness due to key customers increasing investment in their own in-house logistics capacity.

5. The Company is in the process of recovery of overdue advances amounting to ₹1,849 Lakhs given to related parties in respect of which the Board of Directors has mandated the Managing Director to provide a personal guarantee which has not been furnished. However the company could not recover the agreed amounts for which company has sent legal notices to the said parties. Uncertainty of recoverability of such advances has been qualified by the Auditors in their audit report.

6. The investment in Gati Asia Pacific Pte Ltd, Singapore a 100 % wholly owned subsidiary, has been tested for impairment by independent valuer and accordingly balance investment amount of ₹760 Lakhs has been provided for and is part of other Expenses.

7. Income Tax.
   a) Under the new section of Income tax Act 115BBA of the Income Tax Act, 1961 as introduced by the Taxation laws (Amendment) Ordinance, 2019 the Company has an Option to avail of the reduced tax rate. The Company has significant MAT credit pertaining to previous years as of date. Hence the company will consider the matter after availing the MAT credit in future.

   b) On a critical and objective reappraisal, of the income tax demands for various years under appeal, the company based on expert legal opinion from a law firm, is now proposing to take advantage under 'The Direct Tax Vivad se Vishwas Act, 2020 (the scheme). The company estimates that if an application is made and accepted by income tax department the estimated cash out flow would be ₹3535 Lakhs is part of tax related to earlier year asperthe details given below.

Assessment Year	Appeal	Tax payable under Vivad se Vishwas (Lakhs)
2009-10	Department's appeal before Income Tax Appellate Tribunal	408
2012-13	Department's appeal before Income Tax Appellate Tribunal	2,295
2014-15	Taxpayer's appeal before Commissioner of Income Tax(Appeals)	No further tax payable
2015-16	Taxpayer's appeal before Commissioner of Income Tax(Appeals)	No further tax payable
Outflow on account of utilization of carried forward losses		832
Total cash outflow		**3,535**

GATI LIMITED HYDERABAD

8. Indirect tax:
   In December, 2019 the Company had filed application(s) with the Central Board of Indirect Taxes and Customs under the 'SabkaVishwas - (Legacy Dispute Resolution) Scheme, 2019 ('the Scheme'), regarding settlement of the ongoing tax litigations which are pending before various Appellate Authorities. The settlement proposed by the Company under the Scheme of ₹382 Lakhs has been accepted by the Department which is part of 'Other Expenses'.

Considering the above settlement of both Direct and Indirect tax, the aggregate reduction in contingent liability is by ₹10,057 Lakhs.

9. Company had given interest free loan to a wholly owned subsidiary amounting to ₹2,001 Lakhs towards financing a project in an earlier year, where the operation is yet to commence. The company is already in possession of the title deeds to the landed property of the subsidiary which is an adequate security.

10. Investment by Allcargo Logistics Limited
    a) The Shareholders of the Company approved the Issuance of 1,33,33,340 Equity Shares to Allcargo Logistics Limited at their Extraordinary General Meeting held on January 07, 2020. The Board of Directors of the Company has also allotted the 1,33,33,340 Equity shares of the Company (constituting 10.93% of enhanced paid-up capital) at a price of ₹75/- per share aggregating to ₹10,000 Lakhs on January 21, 2020, Consequently paid up equity share capital increased to ₹2,439 Lakhs from ₹2,172 Lakhs and the Share premium increased to ₹34,123 Lakhs from ₹24,390 Lakhs as on March 31, 2020. Further, as on March 31, 2020 the Shareholding of the Allcargo Logistics Limited in the Company stands at 2,54,03,340 Equity shares constituting 20.83% which includes shares acquired through share purchase agreement of 5.16% and open Market purchase of 4.74%)of the total diluted share/voting capital of the Company.Gati Ltd is thus deemed to be an associate of Allcargo Logistics Limited as on March 31, 2020. Out of ₹10,000Lakhs received, as equity infusion an amount of ₹2,301Lakhs has been deployed for working capital and the balance of ₹7,699Lakhs is invested in mutual funds.
    b) Events after the Balance Sheet date;

       Allcargo Logistics Limited acquired 3,17,42,615 Equity shares of the Company which constitutes 26.03% of the total diluted share/voting capital of the Company from public shareholders through open offer which was open on March 13, 2020 and closes on March 27, 2020 and the same was settled on April 08, 2020. Pursuant to acquisition of Equity Shares and control of the Company through open offer & pursuant to Share Subscription Agreement and Share Purchase Agreement dated December 05, 2019, Allcargo Logistics Limited becomes the Promoter of the Company pursuant to Regulation 31A(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. After all of these acquisition Shareholding of the Allcargo Logistics Limited in the Company increased to 5,71,45,955 Equity Share constituting 46.86% of the total diluted share/voting capital of the Company as on date i.e. the Board meeting date.

11. GatiKausar India Limited (GKIL), a subsidiary of the company has converted Compulsorily Convertible Cumulative Preference Shares ("CCCPS") into equity shares on September 17, 2019. Consequently, the company holding in the subsidiary has been reduced to 70% from 80%.

12. The Investment in AmritJal Ventures Pvt Ltd (AJVPL), of ₹1,875 Lakhs had been pledged to a financial institution in an earlier year. The financial institution has since invoked the pledge, in part settlement of their dues in AJVPL and the shares are not in the name of the Company. The said investment has been written off during the year for which fair valuation had been done in an earlier year to Nil value, therefore there is no financial impact in financial results of the current quarter and twelve months ended March 31, 2020.

13. The COVID-19 pandemic is rapidly spreading throughout the world. The operations of the Company were impacted, due to shutdown of all operating units and distribution centres, following nationwide lockdown by

GATI LIMITED HYDERABAD

the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

14. The Company is largely dependent on dividend from a major operating subsidiary,which is also affected by COVID-19 in respect of business operations and turnover.

15. During the year, the company had concluded the sale of one floor of a Office building to a private trust as per an earlier commitment, for consideration of ₹ 625 Lakhs. The profit on the aforesaid sale of ₹ 45 lakhs has been included in other income.

16. In order to improve the liquidity of the company for discharging certain old debts and liabilities, the company has identified the certain non-crore assets for monetization. Net book value of asset held for sale amounting to ₹ 2,849 Lakhswhich is less than fair value.

17. Effective April 01, 2019, the Company has adopted Ind AS-116 "Leases" using modified retrospective approach. The company is lessee only for few rental contracts only and hence has no material impact on the financial results.

18. Figures of the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2020 and year to date figures up to December 31, 2019, being the date of the end of the third quarter of the financial year.

19. Figures of the previous quarter/periods have been regrouped/ re-arranged wherever considered necessary.

For GATI LIMITED

MAHENDRA AGARWAL

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GATI LIMITED HYDERABAD

Mahendra Agarwal
Founder and CEO
DIN: 00179779

Place: Hyderabad
Date: July 3, 2020

Statement of Impact of Audit Qualification submitted along-with Annual Audited Financial Results

Gati Limited – Standalone Audited financial results Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2020 *(₹ in lakhs, except for details of EPS)*				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications) [to be read with II(a) and II(e)(ii) below]
	1.	Total revenue	44,551	44,551
	2.	Total expenses	46,702	46,702
	3.	Profit/(Loss) after tax	(5,782)	(5,782)
	4.	Earnings per share (in ₹)	(5.20)	(5.20)
	5.	Total assets	1,03,359	1,03,359
	6.	Total liabilities	23,352	23,352
	7.	Net-worth	80,007	80,007
	8.	Any other financial item(s) (as felt appropriate by the management)		
II	**Audit Qualification (each audit qualification separately):**			
	a. Details of Audit Qualification: Attention is drawn to Note 5 of the accompanying standalone financial results, which states that in earlier years, the Company has given operational advances to few parties aggregating Rs.1849 Lakhs which is long overdue and the full recoverability of which is doubtful. As set out in the aforesaid note, the management is making necessary efforts to ensure collection of dues from those parties. No impairment allowance for uncertainty in collectability has been recognized against above advances. Based on the information received from the management of the Company regarding the assumptions used in assessing the recoverability of this amount, we were unable to determine the impact on the standalone financial results, of a potential adjustment for impairment that might have been necessary in order to present the balance at its estimated recoverable value.			
	b. Type of Audit Qualification : Modified Opinion			
	c. Frequency of qualification: II. a. Appearing for third time			
	d. For Audit Qualification where the impact is quantified by the auditor, Management's Views: Not applicable			
	e. For Audit Qualification where the impact is not quantified by the auditor:			
	(i) Management's estimation on the impact of audit qualification: Not applicable			
	(ii) If management is unable to estimate the impact, reasons for the same:			

GATI LIMITED HYDERABAD

	a) The Company is in the process of recovery of overdue advances amounting to ₹1,849 Lakhs given to related parties in respect of which the Board of Directors has mandated the Managing Director to provide a personal guarantee which has not at been furnished. However the company could not recover the agreed amounts for which company has sent legal notices to the said parties.
	(iii) Auditors' Comments on (i) or (ii) above: As stated in ii(a) above
III	**Signatories:**
	• N Srinivasan Audit Committee Chairman DIN: 00004195 Place: Chennai
	• Mahendra Agarwal Founder & CEO DIN: 00179779
	• Peter H Jayakumar Chief Financial Officer
	Place: Hyderabad
	Date: July 3, 2020
	• Statutory Auditor For Singhi & Co. Chartered Accountants ICAI Firm Registration No: 302049E Anurag Singhi Partner Membership no: 066274
	Place: Kolkata
	Date: July 3, 2020

GATI LIMITED HYDERABAD

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SINGHI & CO. Chartered Accountants

Singhi & Co.
Chartered Accountants

161, Sarat Bose Road
Kolkata-700 026, (India)
T +91(0)33-2419 6000/01/02
E kolkata@singhico.com
www.singhico.com

Independent Auditor's Report

To the Board of Directors of Gati Limited

Report on the audit of the Consolidated Annual Financial Results

Qualified Opinion

We have audited the accompanying consolidated annual financial results of Gati Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended 31st March, 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements/ financial information of the subsidiaries the aforesaid consolidated annual financial results:

a. include the annual financial results of the following entities:

Name of the Entity	Relationship
Gati Limited	Parent Company
Gati Kintetsu Express Private Limited	Subsidiary
Gati Import Export Trading Limited	Subsidiary
Zen Cargo Movers Private Limited	Subsidiary
Gati Kausar India Limited	Subsidiary
Gati Logistics Parks Private Limited	Subsidiary
Gati Project Private Limited	Subsidiary
Asia Pacific Pte Limited. Including its subsidiaries Gati Hong Kong Limited Gati Cargo Express (Shanghai) Co. Limited	Subsidiary

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. except for the possible effects of the matters described in 'Basis for Qualified Opinion' paragraph below, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India of the consolidated net loss and other comprehensive income and other financial information of the group for the year ended 31st March 2020.

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Basis for Qualified Opinion

Attention is drawn to the following notes of the accompanying consolidated financial results:

a) As stated in note 5, the Company and one of the subsidiary, Gati Kintetsu Express (P) Ltd, has given operational advances to few parties aggregating Rs. 2068 lakhs (net of provision Rs. 218 lakhs) which is long overdue and the full recoverability of which is doubtful. No impairment allowance for uncertainty in collectability has been recognized against above advances. Based on the information received from the management of the Company regarding the assumptions used in assessing the recoverability of this amount, we were unable to determine the impact on the consolidated financial results, of a potential adjustment for impairment that might have been necessary in order to present the balance at its estimated recoverable value.

b) As stated in note 16, in one of the subsidiary, Gati Kausar India Limited, the said subsidiary has provided for its obligation towards commitment fee based on the management's assessment of the likely obligation in view of the ongoing negotiation with the investor relating to the terms of the amended Bond Subscription Agreement, instead of measuring the obligation at Rs. 837 Lakhs as per the terms of the aforementioned agreement. However, in the absence of sufficient and appropriate audit evidence in support of management's assessment and pending final outcome of the negotiation referred above, we are unable to comment upon the adequacy of the provision and its consequential impact on the financial result.

c) As stated in note 18 (b), in one of the subsidiary, Gati Kintetsu Express (P) Ltd, a recoverable of Rs. 141 lakhs from an executive chairman towards excess payment of managenal remuneration for the financial year 2016-17 and 2017-18 is outstanding in the books of accounts as on 31st March 2020. Upon expiry of the permissible tenure for refund of said excess remuneration, there is a delayed recovery from the director for Rs. 63 lakhs and non-recovery of Rs. 78 Lakhs upto the date of signing of this report, the same shall be treated to be a loan to a director in contravention of section 185 of the Companies Act, 2013.

Our opinion is qualified in respect of above matters.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated annual financial results.

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The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.

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Material Uncertainty Related to Going Concern

Attention is drawn to the following notes of the accompanying consolidated financial results:

a. As stated in Note 17 (a), which states that in one of the subsidiary, Gati Kausar India Ltd has incurred a net loss of Rs.1416 lakhs during the year ended 31 March 2020 and as of that date, the Company's accumulated losses amounts to Rs. 9244 lakhs which has resulted in complete erosion of the net worth of the Company, and the Company's current liabilities exceeded its current assets by Rs. 8533 lakhs. These conditions along with matters set forth in the said note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, based on the revised business plans, including the restructuring plan under consideration with the key shareholders of the Company as stated in the aforesaid note, the management is of the view that going concern basis of accounting is appropriate for preparation of the accompanying Statement.

b. As stated in Note 17 (b), which states that in one foreign subsidiary Gati Asia Pacific PTE Ltd. and one step down subsidiary Gati Honkong Ltd. incurred a net loss of Rs. 130.21 lakhs for the financial year ended 31st March 2020 and, as of that date, the company's current liability and total liability exceeded its current assets and total assets by Rs.15 lakhs respectively. These events and conditions, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as going concern.

Our opinion is not qualified in respect of the above matters.

Emphasis of Matter

Attention is drawn to the Note 18 (a) of the accompanying consolidated financial results, which states that in one of the subsidiary, Gati Kintetsu Express (P) Ltd, managerial remuneration paid to two executive directors of the Company for the year ended March 31, 2020 has exceeded the limit prescribed under section 197 read with Schedule V of the Companies Act, 2013 by Rs. 403 Lakhs. Pending necessary approvals for the excess remuneration from members of the company, no adjustment to the consolidated financial statements has been made.

Our opinion is not qualified in respect of the above matter.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. Our responsibilities in this regard are further defined in the section titled 'Other Matter' in this report.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

1. The accompanying Statement includes the audited financial results/statements and the other financial information, in respect of five Indian subsidiaries whose financial statements / financial information reflect total assets of Rs. 11819 Lakhs as at 31st March, 2020 and total revenue of Rs. 16255 Lakhs and net cash inflow Rs. 294 Lakhs for the year ended 31st March 2020 as considered in the statement. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on the report of other auditors.

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2. The accompanying financial statements / financial information of one foreign subsidiary, including two step down foreign subsidiaries, whose financial statements / financial information reflect total assets of Rs. 544 lakhs as at 31st March, 2020 and total revenue of Rs. 4112 Lakhs and net cash outflow of Rs. 175 Lakhs for the year ended 31st March 2020 as considered in the consolidated financial statements.

(i) The independent auditors report on the financial statements / financial information / financial results of these entities have been furnished to us by the management and our opinion on the statement in so far as it relates to the amounts and disclosures included in the respect of these subsidiaries is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

(ii) These subsidiaries are located outside India whose annual financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which has been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding and audited by us.

Our opinion on the statement is not modified in respect of the matters 1 & 2 above with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information / financial results certified by the Management.

3. The Statement includes the consolidated financial results for the quarter ended 31st March, 2020 being the balancing figures between the audited consolidated figures in respect of the full financial year ended 31st March, 2020 and the published unaudited year to date figures up to the end of third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

SINGHI & CO. Chartered Accountants

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

(Anurag Singhi)
Partner
Membership No.: 066274
UDIN: 20066274AAAAAY4464

Place: Kolkata
Date: 3rd July 2020

GATI LIMITED

CIN: L63011TG1995PLC020121

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

website: www.gati.com e-mail: investor.services@gati.com Phone No. - 040 71204284 Fax - 040 23112318

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020

(₹. in Lakhs)

Particulars	Quarter Ended			Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
Income:					
Revenue from Operations	37,009	44,382	45,939	1,71,167	1,86,319
Other Income	534	388	747	1,326	1,596
Total Income	**37,543**	**44,770**	**46,686**	**1,72,493**	**1,87,915**
Expenditure :					
- Purchases of Stock in trade	8,640	9,703	9,922	37,124	38,451
- Changes in Inventories of Stock in trade	32	(110)	(53)	228	(315)
- Operating Expense	20,605	24,319	25,037	94,992	1,04,479
- Employee Benefit Expense	4,429	4,900	4,440	18,831	18,636
- Finance Cost	1,394	1,339	1,139	5,364	4,527
- Depreciation and Amortisation Expense	1,230	1,079	730	4,370	2,952
- Other Expenses	5,161	4,061	3,976	16,427	15,638
Total Expenses	**41,491**	**45,291**	**45,191**	**1,77,336**	**1,84,368**
Profit/(Loss) Before Exceptional items and Tax	**(3,948)**	**(521)**	**1,495**	**(4,843)**	**3,547**
Exceptional Items	-	-	-	-	-
Profit/(Loss) Before Tax	**(3,948)**	**(521)**	**1,495**	**(4,843)**	**3,547**
Tax Expense					
- Current tax	(317)	(14)	218	141	1,115
- Deferred Tax	(206)	8	216	(192)	128
- Tax Related to earlier years (Refer Note 6b)	3,635	-	-	3,635	-
Profit/(Loss) for the period	**(7,060)**	**(515)**	**1,061**	**(8,427)**	**2,304**
Other Comprehensive income					
A) - Items that will not be reclassified to Profit or loss	6	(40)	(168)	(161)	(311)
-Income Tax relating to Items that will not be reclassified to Profit or loss	5	7	33	27	36
B) - Items that will be reclassified to Profit or loss	22	14	-	6	(40)
-Income Tax relating to Items that will be reclassified to Profit or loss	-	-	-	-	-
Other Comprehensive income for the period, net of tax	**33**	**(19)**	**(135)**	**(128)**	**(315)**
Total Comprehensive income for the Period	**(7,027)**	**(534)**	**926**	**(8,555)**	**1,989**
Profit/(Loss) for the Period	**(7,060)**	**(515)**	**1,061**	**(8,427)**	**2,304**
Attributable to:					
- Owners of the company	(6,291)	(500)	828	(7,829)	1,836
- Non-Controlling Interest	(769)	(15)	233	(598)	468
Total Comprehensive income for the Period	**(7,027)**	**(534)**	**926**	**(8,555)**	**1,989**
Total Comprehensive income attributable to:					
- Owners of the company	(6,254)	(511)	716	(7,932)	1,545
- Non-Controlling Interest	(773)	(23)	210	(623)	444
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	2,439	2,172	2,171	2,439	2,171
Other Equity				71,873	70,273
Earnings Per Share (EPS) a) Basic	(5.66)	(0.46)	0.76	(7.04)	1.69
b) Diluted	(5.66)	(0.46)	0.76	(7.03)	1.69

GATI LIMITED HYDERABAD

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Audited Consolidated Segment wise Revenue,Results, and Assets and liabilities for the Quarter and year ended 31st March 2020

(₹. in Lakhs)

Particulars	Quarter Ended			Year Ended	
1. Segment Revenue (Net Sale / Income from each Segment)	**31.03.2020**	**31.12.2019**	**31.03.2019**	**31.03.2020**	**31.03.2019**
	Audited	**Unaudited**	**Audited**	**Audited**	**Audited**
a) Express Distribution & Supply Chain	28,072	34,469	35,674	1,32,496	1,46,957
b) Fuel Station	6,283	7,010	7,169	27,507	29,209
c) Other Sales	2,818	3,102	3,296	11,903	10,951
Total	**37,173**	**44,581**	**46,139**	**1,71,906**	**1,87,117**
Less: Inter Segment Revenue	(164)	(199)	(200)	(739)	(798)
Net Sales / Income from Operations	**37,009**	**44,382**	**45,939**	**1,71,167**	**1,86,319**
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)					
a) Express Distribution & Supply Chain	(2,675)	627	2,345	(245)	7,268
b) Fuel Station	137	172	210	655	758
c) Other Sales	(16)	19	79	111	48
Total	**(2,554)**	**818**	**2,634**	**521**	**8,074**
Less: Finance Cost	(1,394)	(1,339)	(1,139)	(5,364)	(4,527)
Profit/(Loss) Before Tax	**(3,948)**	**(521)**	**1,495**	**(4,843)**	**3,547**
3. Segment Assets					
a) Express Distribution & Supply Chain	1,36,358	1,40,372	1,34,792	1,36,358	1,34,792
b) Fuel Station	1,658	2,154	2,965	1,658	2,965
c) Others	3,286	3,115	3,370	3,286	3,370
c) Unallocated	18,113	9,248	7,838	18,113	7,838
Total Assets	**1,59,415**	**1,54,889**	**1,48,965**	**1,59,415**	**1,48,965**
Segment Liabilities					
a) Express Distribution & Supply Chain	18,529	21,035	22,681	18,529	22,681
b) Fuel Station	46	51	66	46	66
c) Others	2,190	2,049	2,304	2,190	2,304
c) Unallocated	53,988	50,097	39,265	53,988	39,265
Total Liabilities	**74,753**	**73,232**	**64,316**	**74,753**	**64,316**

GAIL LIMITED HYDERABAD

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SINGHI & CO. Chartered Accountants

Audited Consolidated Statement of Assets and Liabilities as at March 31, 2020

(₹. in Lakhs)

Particulars	March 31, 2020	March 31, 2019
	Audited	Audited
NON CURRENT ASSETS		
Property, plant and equipment	52,293	56,740
Capital Work in Progress	-	511
Right of use assets	8,461	-
Goodwill	42,580	42,580
other Intangible Assets	355	301
Intangible Assets under Development	207	-
Investment in Associates	-	-
Financial Assets		
Investment	-	243
Loans	560	1,165
Deferred tax Assets(Net)	639	425
Non Current Tax Asset (Net)	9,599	7,066
Other Non-current assets	254	2,209
	1,14,948	**1,11,240**
CURRENT ASSETS		
Inventories	963	1,199
Financial assets		
Investments	7,782	-
Loans	2,122	1,253
Trade receivables	20,535	23,893
Cash and cash equivalents	3,366	1,737
Bank Balances other than above	1,493	3,035
Other financial assets	2,929	3,267
Other current assets	2,268	3,167
Current Tax Assets	-	14
Assets classified as held for sale	3,009	160
	44,467	**37,725**
TOTAL ASSETS	**1,59,415**	**1,48,965**
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	2,439	2,171
Other Equity		
Equity attributable to owners of the company	71,873	70,273
Non controlling interest	10,350	12,205
Total Equity	**84,662**	**84,649**
LIABILITIES		
NON-CURRENT LIABILITIES		
Financial liabilities		
Borrowings	9,705	16,868
Lease Liabilities	6,928	-
Other financial liabilities	68	694
Provisions	808	810
	17,509	**18,372**
CURRENT LIABILITIES		
Financial liabilities		
Borrowings	15,388	11,373
Lease Liabilities	990	-
Trade payables		
(a) Total outstanding dues of Micro and Small Enterprises	117	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	11,518	14,905
Other financial liabilities	22,249	15,985
Other current liabilities	3,235	3,450
Current Tax Liabilities	3,558	4
Provisions	189	227
	57,244	**45,944**
TOTAL LIABILITIES	**74,753**	**64,316**
TOTAL EQUITY AND LIABILITIES	**1,59,415**	**1,48,965**

GATI LIMITED HYDERABAD

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SINGHI & CO. Chartered Accountants

GATI LIMITED

Consolidated Cash Flow Statement for the year ended March 31, 2020

(₹. in Lakhs)

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
A: Cash Flow From Operating Activities		
Profit/(Loss) Before Taxes as per Statement of Profit and Loss	(4,843)	3,546
Adjustments For :		
Depreciation and Amortization expense	4,370	2,952
Net Gain on disposal of Property, plant & equipment	(97)	(39)
Impairment allowance for Investment	-	1
Expenses on Employee Stock Option scheme	(9)	1
Finance Costs	5,364	4,527
Interest Income	(198)	(587)
Interest on refund of Income tax	(86)	-
Net Foreign Exchange Gain	(15)	-
Allowance for Doubtful Receivables	984	166
Capital work-in-progress & Other advance written off	72	-
Bad debts and irrevocable balances written off (Net of Provision)	572	13
Provision towards capital expenditure	-	181
Provision towards advance	336	-
Net Gain on Investments measured at FVTPL	(62)	-
Liability no longer required written back	(470)	(500)
Operating Profit Before changes in operating assets and liabilities	**5,918**	**10,261**
Adjustment for changes in operating assets and liabilities:		
Decrease /(Increase) In Trade Receivables	1,763	(542)
Decrease /(Increase) In Inventories	236	(297)
Decrease /(Increase) in Other current Assets	662	101
Decrease / (Increase) in Other Current Financial Assets	295	1,112
Decrease /(Increase) in Loans and Non Current Assets	73	(1,696)
Increase / (Decrease) In Trade Payables	(3,255)	2,506
Increase / (Decrease) in Non Current Liabilities	(605)	107
Increase / (Decrease) in Current Financial Liabilities	399	319
Increase / (Decrease) in Current Liabilities	36	156
Increase / (Decrease) in Provisions	(39)	219
Cash generated from Operating Activities	**5,483**	**12,246**
Direct Taxes paid (net of refunds)	(2,655)	(2,376)
Net Cash generated/(used) from Operating Activities (A)	**2,828**	**9,870**
B: Cash Flow From Investing Activities		
Sale proceeds from Property, Plant and Equipment	690	979
Purchase of Property, Plant and equipment including Capital work in progress	(3,239)	(4,590)
Purchase of Current Investments	(7,720)	-
Sale proceeds from Current / Non current Investments	165	1
Interest Received	242	178
Investment in/Proceeds from bank Fixed Deposit (Net)	1,543	(770)
Net Cash generated/(used) in Investing Activities (B)	**(8,319)**	**(4,202)**
C: Cash Flow From Financing Activities		
Proceeds from issue of equity shares (Net of issue Expenses)	10,007	113
Proceeds from Public deposits	186	367
Repayment of Public desposits	(244)	(382)
Proceeds of Long term borrowings	4,121	4,276
Repayment of Long term borrowings	(4,076)	(5,012)
Payment of Principal Portion of Lease liabilities	(832)	-
Payment of interest on Lease liabilities	(859)	-
Movement in Short term borrowings (Net)	4,015	871
Dividend Paid including Tax	(1,438)	(1,603)
Finance Costs	(3,760)	(4,472)
Net Cash generated/(used) from Financing Activities (C)	**7,120**	**(5,842)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**1,629**	**(174)**
Cash and Cash Equivalents as at the beginning of the year	1,737	1,911
Cash and Cash Equivalents as at the Year ended	**3,366**	**1,737**

GATI LIMITED HYDERABAD

SINGHI & CO. Chartered Accountants

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Notes:

1. The audited consolidated financial results have been reviewed by the Audit Committeeand approved by the Board of Directors at its meeting held on July 3, 2020. In compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended, ("SEBI Listing Regulations"). These financial results have been audited by the Statutory Auditors of the Company.

2. Gati Limited ("Company") and its 9subsidiaries including 2 overseas step down subsidiaries ("Group") 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. The Operating loss for quarter ended March, 2020 and for the Financial year ended March, 2020 in case of the Company is mainly attributable to a drop in cross border E commerce and TV commerce business, coinciding with a shift in domestic E commerce market dynamics with increased price competitiveness due to key customers increasing investment in their own in-house logistics capacity. In case of the material subsidiary the loss for the quarter is due to certain provisioning and lower business in March, 2020 due to lockdown.

4. Pursuant to the direction of the Hon`ble High Court of New Delhi in an appeal filed by Air India against the arbitral award, an amount of ₹ 2,200 Lakhs was made over to the Company i.e. Gati Limited, in an earlier year. Property at Hyderabad was offered as interim collateral security is pending. An application has been filed for release of above mentioned collateral and is listed and is pending for hearing. Necessary adjustments, if any, will be made in the accounts upon the decision of the Hon`ble High Court of New Delhi.

5. Company is in the process recovery of total overdue advances given ₹2286Lakhs to few related parties in earlier years. However, during the current year, company could not recover the agreed amount for which company has sent a legal notice to the said parties. The management has provided Rs 218 Lakhs in books and for ₹ 1849Lakhs the Board of Directors has mandated the Managing Director to provide a personal guaranteewhich has not been furnished. Uncertainty of recoverability of such advances has been qualified by the Auditors in their audit report.

6. The Investment in Gati Asia Pacific Pte Ltd, Singapore a 100 % wholly owned subsidiary, has been tested for impairment by independent valuer and accordingly balance investment amount of ₹760 Lakhs has been provided for and is part of other Expenses.

7. **Direct Tax**
   a. Under the new section of Income tax Act 115BBA of the Income Tax Act, 1961 as introduced by the Taxation laws (Amendment) Ordinance, 2019 the Company has an Option to avail of the reduced tax rate. The Company has significant MAT credit pertaining to previous years as of date. Hence the company will consider the matter after availing the MAT credit in future.The major Subsidiary, GKEPL has opted to exercise the option permitted under law and has taken 25.168% rate of corporate tax in its accounts. Accordingly, the company has recognized provision for income tax for the year ended March 31, 2020 and re-measured its deferred tax assets/liabilities on the basis of above option.
   b. On a critical and objective reappraisal, of the income tax demands for various years under appeal, the company based on expert legal opinion from a law firm, is now proposing to take advantage under 'The Direct Tax Vivad se Vishwas Act, 2020 (the scheme). The company estimates that if an application is made and accepted by income tax department the estimated cash out flow would be ₹3535 Lakhs is part of tax related to earlier year as per the details given below.

GATI LIMITED HYDERABAD

Assessment Year	Appeal	Tax payable under Vivad se Vishwas (Lakhs)
2009-10	Department's appeal before Income Tax Appellate Tribunal	408
2012-13	Department's appeal before Income Tax Appellate Tribunal	2,295
2014-15	Taxpayer's appeal before Commissioner of Income Tax(Appeals)	No further tax payable
2015-16	Taxpayer's appeal before Commissioner of Income Tax(Appeals)	No further tax payable
Outflow on account of utilization of carried forward losses		832
Total cash outflow		**3,535**

8. **Indirect Taxes:** In December, 2019 the Company had filed application(s) with the Central Board of Indirect Taxes and Customs under the 'SabkaVishwas - (Legacy Dispute Resolution) Scheme, 2019 ('the Scheme'), regarding settlement of the ongoing tax litigations which are pending before various Appellate Authorities. The settlement proposed by the Company under the Scheme of ₹382Lakhs has been accepted by the Department which is part of other Expenses.

   Considering the above settlement of both Direct and Indirect tax, the aggregate reduction in contingent liability is by ₹10,057 Lakhs.

9. Effective April 1, 2019 the Company has adopted Ind AS 116 "Leases" using the modified retrospective method. The Subsidiary of the company i.e., Gati Kintetsu Express Pvt Ltd has applied the standard to its leases with the cumulative impact recognized on the date of initial application (April 1, 2019). Accordingly, previous period information has not been restated. On April 1, 2019 the said subsidiary has recognized a lease liability measured at the present value of the remaining lease payments and right-of-use (ROU) asset at an amount equal to lease liability in addition to reclassifying its finance lease assets and lease liabilities existing as at March 31, 2019. Also, the subsidiary has elected not to apply the requirements of Ind AS 116 to short-term leases. In the Statement for the year ended, operating lease expenses which were recognized as other expenses in previous periods is now recognized as depreciation expense for the right-of-use asset and finance cost for imputed interest on lease liability. The impact of adoption of this standard is as follows on the reported profit for the period.

   Reconciliation for the above effect on statement of profit or loss for the current year ended March 31, 2020 is as follows:

(In Lakhs)

Particulars	**Quarter ended March, 2020**			**Year ended March 31, 2020**		
	Comparable Basis	**Ind AS 116 effect**	**As reported**	**Comparable Basis**	**Ind AS 116 effect**	**As reported**
Finance Costs	1,207	187	1,394	4,616	748	5,364
Depreciation and Amortization Expense	984	246	1,230	3,387	983	4,370
Other Expenses	5,486	(325)	5,161	17,727	(1,300)	16,427
Total Expenses	7,677	108	7,785	25,730	431	26,161
Profit Before Tax	(3,840)	(108)	(3,948)	(4,412)	(431)	(4,843)

The company and rest of the subsidiaries has no material impact in the financial results.

GATI LIMITED HYDERABAD

10. Investment by Allcargo Logistics Limited

a) The Shareholders of the Company approved the Issuance of 1,33,33,340 Equity Shares to Allcargo Logistics Limited at their Extraordinary General Meeting held on January 07, 2020. The Board of Directors of the Company has also allotted the 1,33,33,340 Equity shares of the Company (constituting 10.93% of enhanced paid-up capital) at a price of ₹75/- per share aggregating to ₹10,000 Lakhs on January 21, 2020, Consequently paid up equity share capital increased to ₹2,439 Lakhs from ₹2,172 Lakhs and the Share premium increased to ₹34,123 Lakhs from ₹24,390 Lakhs as on March 31, 2020. Further, as on March 31, 2020 the Shareholding of the Allcargo Logistics Limited in the Company stands at 2,54,03,340 Equity shares constituting 20.83% which includes shares acquired through share purchase agreement of 5.16% and open Market purchase of 4.74%) of the total diluted share/voting capital of the Company. Gati Ltd is thus deemed to be an associate of Allcargo Logistics Limited as on March 31, 2020. Out of ₹10,000 Lakhs received, as equity infusion an amount of ₹2,301Lakhs has been deployed for working capital and the balance of ₹7,699Lakhs is invested in mutual funds.

b) Events after the Balance Sheet date;
Allcargo Logistics Limited acquired 3,17,42,615 Equity shares of the Company which constitutes 26.03% of the total diluted share/voting capital of the Company from public shareholders through open offer which was open on March 13, 2020 and closes on March 27, 2020 and the same was settled on April 08, 2020. Pursuant to acquisition of Equity Shares and control of the Company through open offer & pursuant to Share Subscription Agreement and Share Purchase Agreement dated December 05, 2019, Allcargo Logistics Limited becomes the Promoter of the Company pursuant to Regulation 31A(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. After all of these acquisition Shareholding of the Allcargo Logistics Limited in the Company increased to 5,71,45,955 Equity Share constituting 46.86% of the total diluted share/voting capital of the Company as on date i.e. the Board meeting date.

11. GATI Kausar India Limited (GKIL), a subsidiary of the company has converted compulsorily Convertible Cumulative Preference Shares ("CCCPS") into equity shares On September 17,2019, consequently the company holding in the subsidiary has been reduced to 70% from 80%.

12. The Investment in AmritJal Ventures Pvt Ltd (AJVPL), of₹ 1875 Lakhs had been pledged to a financial institution in an earlier year. The financial institution has since invoked the pledge, in part settlement of their dues in AJVPL. The said investment has been written off during the year for which fair valuation had been done in an earlier year to nil value, therefore there is no financial impact in financial results of current year ended March 31, 2020.

13. During the year, the company had concluded the sale of one floor of a Office building to a private trust as per an earlier commitment, for consideration of ₹ 625 Lakhs. The profit on the aforesaid sale of ₹ 45 Lakhs has been included in other income.

14. In order to improve the liquidity of the company for discharging certain old debts and liabilities, the company has identified the certain non-core assets for monetization. Net book value of asset held for sale amounting **₹ 3,009** Lakhs to which is less than fair value.

15. The COVID-19 pandemic is rapidly spreading throughout the world. The operations of the Company were impacted, due to shutdown of all operating units and distribution centres, following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

GATI LIMITED HYDERABAD

16. During the year ended March 31, 2018, management of GatiKausar India Limited (GKIL), a subsidiary of the company, has revised its business strategy to adopt an "asset light" model in place of "asset heavy" model in view of the present business scenario and keeping in view the cost benefit analysis. Accordingly, the GKIL has not drawdown the committed loan aggregating to ₹6,100Lakhs from the investors. On the basis of a careful analysis of the terms of the amended Bond Subscription Agreement and the prevalent industry practice in this regard, management of GKIL has considered a provision of ₹30.50Lakhs to be adequate to meet its obligations. Further, management of the GKIL is confident that no further financial obligations would dwell on GKIL. The auditors have qualified their audit report in respect of this matter.

17.

a) During the year ended March 31,2020, Gati Kausar India Limited (GKIL), a subsidiary of the company, has incurred a loss of ₹ 1,416Lakhs and as of that date, the accumulated losses amounting to ₹ 9,241Lakhs has resulted in complete erosion of its net worth and the current liabilities exceeded its current assets by ₹ 8,533Lakhs. These events together with the maturity of long-term debts aggregating to ₹ 915Lakhs and ₹ 2,698Lakhs originally due for repayment in the month of October 2019 and January 2020 respectively (the GKIL has obtained interim relief by extending the repayment period of these long-term debts to March 31, 2020), clearly indicates that there exists material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern and therefore, the GKIL may be unable to realize its assets and discharge its liabilities in the normal course of business. To address this and improve upon its operating and financial performance, the key shareholders along with the management of the GKIL is in the process of implementing a restructuring plan by focusing on number of measures viz;- (i) operational improvements through revenue enhancement; (ii) balance sheet restructuring to ensure solvency through sustainable cash flows.

   Based on the foregoing and management's assessment regarding the favourable outcome of the ongoing negotiations in relation to the unpaid commitment fee as detailed in Note 16 above and the possible impact of COVID-19 on the GKIL's operations, management believes that the GKIL will be able to realize the assets and discharge its liabilities as recorded in the normal course of its operations. Accordingly, the accompanying Statement of the GKIL for the year ended March 31, 2020 have been prepared considering going concern basis of accounting.

b) The Non Material entities, Gati Asia Pacific Pte Ltd.(foreign subsidiary) and the step down subsidiary Gati Hong kong Ltd are Non-operational. The financial statements of these entities have been prepared on a going concern basis as management believes above entitles will be able to realize the assets and discharge its liabilities as recorded in the normal course of its operations.

18.

a) The managerial remuneration paid to the Executive chairman and Deputy Managing Director of a subsidiary i.e., Gati Kintetsu Express Pvt for the year ended March 31, 2020 has exceeded the limit prescribed under section 197 read with Schedule V of the Companies Act, 2013 by ₹403 Lakhs. Pending necessary approvals for the excess remuneration from members of the company, no adjustment to the financial statements has been made as on March 31, 2020,The said matter has been mentioned as a emphasis of matter by statutory auditor.

b) Regarding Rs 141Lakhs recoverable from Executive Chairman, towards excess payment of managerial remuneration of ₹ 63Lakhs for 2016-2017 and ₹ 78Lakhs for 2017-2018 , ₹ 63Lakhs has since been received.. The balance ₹ 78Lakhs pertaining to one year has been referred as a loan to director in contravention of section 185 of the Companies Act, 2013 by auditor and qualified in their audit report of financial year ended March 31, 2020 The excess remuneration is arising out of a contractual obligation as part of the conditions of service extended to pay remuneration as agreed and as per legal opinion this is not a loan under Section 185. Necessary steps are being taken to recover the amount. The auditors have qualified their audit report in respect of this matter.

19. The value of investment in an associate had been fully provided in earlier years therefore the share of loss in that has not been considered in consolidated accounts.

GATI LIMITED HYDERABAD

20. Figures of the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2020 and year to date figures up to December 31, 2019, being the date of the end of the third quarter of the financial year.

For GATI LIMITED

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GATI LIMITED HYDERABAD

Mahendra Agarwal
Founder and CEO
DIN: 00179779

Place: Hyderabad
Date: July 3 , 2020

Statement of Impact of Audit Qualification submitted along-with Annual Audited Financial Results

Gati Limited – Consolidated Audited financial results
Statement on Impact of Audit Qualifications for the Financial Year ended 31st March 2020
(₹ in Lakhs, except for details of EPS)

	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications) [to be read with II(a) and II(e)(ii) below]
I	1.	Total revenue	**1,72,493**	**1,72,493**
	2.	Total expenses	**1,77,336**	**1,77,336**
	3.	Profit/(Loss) after tax	**(8,427)**	**(8,427)**
	4.	Earnings per share (in ₹)	**(7.04)**	**(7.04)**
	5.	Total assets	**1,59,415**	**1,59,415**
	6.	Total liabilities	**74,753**	**74,753**
	7.	Net-worth excluding Non controlling interest	**74,312**	**74,312**
	8.	Any other financial item(s) (as felt appropriate by the management)		
II	**Audit Qualification (each audit qualification separately):**			

a. Details of Audit Qualification:

i. As stated in note 5, the Company and one of the subsidiary, Gati Kintetsu Express (P) Ltd, has given operational advances to few parties aggregating Rs. 2068 lakhs (net of provision Rs. 218 lakhs) which is long overdue and the full recoverability of which is doubtful. No impairment allowance for uncertainty in collectability has been recognized against above advances. Based on the information received from the management of the Company regarding the assumptions used in assessing the recoverability of this amount, we were unable to determine the impact on the consolidated financial results, of a potential adjustment for impairment that might have been necessary in order to present the balance at its estimated recoverable value.

ii. As stated in note 16, in one of the subsidiary, Gati Kausar India Limited, the said subsidiary has provided for its obligation towards commitment fee based on the management's assessment of the likely obligation in view of the ongoing negotiation with the investor relating to the terms of the amended Bond Subscription Agreement, instead of measuring the obligation at Rs. 837 Lakhs as per the terms of the aforementioned agreement. However, in the absence of sufficient and appropriate audit evidence in support of management's assessment and pending final outcome of the negotiation referred above, we are unable to comment upon the adequacy of the provision and its consequential impact on the financial result.

iii. As stated in note 18 (b), in one of the subsidiary, Gati Kintetsu Express (P) Ltd, a recoverable of Rs. 141 lakhs from an Executive Chairman towards excess payment of managerial remuneration for the financial year 2016-17 and 2017-18 is outstanding in the books of accounts as on 31st March 2020.

GATI LIMITED HYDERABAD

	Upon expiry of the permissible tenure for refund of said excess remuneration, there is a delayed recovery from the director for Rs. 63 lakhs and non-recovery of Rs. 78 Lakhs upto the date of signing of this report, the same shall be treated to be a loan to a director in contravention of section 185 of the Companies Act, 2013.
	b. **Type of Audit Qualification:** Modified Opinion
	c. **Frequency of qualification:** i.& ii.Appearing for the third time iii.Appearing for the first time.
	d. **For Audit Qualification where the impact is quantified by the auditor, Management's Views:** Not applicable
	e. **For Audit Qualification where the impact is not quantified by the auditor:**
	(i) Management's estimation on the impact of audit qualification: Not applicable
	(ii)If management is unable to estimate the impact, reasons for the same: a) Company is in the process recovery of the total overdue advances given ₹2286 Lakhs to few related parties in earlier years. However, during the current year, company could not recover the agreed amount for which company has sent a legal notice to the said parties. The management has provided ₹ 218 Lakhs in books and for ₹ 1849 Lakhs the Board of Directors has mandated the Managing Director to provide a personal guarantee which has not been furnished. b) During the year ended March 31, 2018, management of Gati Kausar India Limited (GKIL), a subsidiary of the company, has revised its business strategy to adopt an "asset light" model in place of "asset heavy" model in view of the present business scenario and keeping in view the cost benefit analysis. Accordingly, the GKIL has not drawdown the committed loan aggregating to ₹6,100 Lakhs from the investors. On the basis of a careful analysis of the terms of the amended Bond Subscription Agreement and the prevalent industry practice in this regard, management of GKIL has considered a provision of ₹30.50Lakhs to be adequate to meet its obligations. Further, management of the GKIL is confident that no further financial obligations would dwell on GKIL. c) Regarding Rs 141 Lakhs recoverable from Executive Chairman, towards excess payment of managerial remuneration of ₹ 63Lakhs for 2016-2017 and ₹ 78Lakhs for 2017-2018 , ₹ 63Lakhs has since been received.. The balance ₹ 78Lakhs pertaining to one year has been referred as a loan to director in contravention of section 185 of the Companies Act, 2013 by auditor and qualified in their audit report of financial year ended March 31, 2020 The excess remuneration is arising out of a contractual obligation as part of the conditions of service extended to pay remuneration as agreed and as per legal opinion this is not a loan under Section 185. Necessary steps are being taken to recover the amount.
	i. **Auditors' Comments on (i) or (ii) above:** As stated in II(a) above

GATI LIMITED HYDERABAD

III	**Signatories:**
	• N Srinivasan Audit Committee Chairman DIN: 00004195 Place: Chennai
	• Mahendra Agarwal Founder & CEO DIN: 00179779 MAHENDRA AGARWAL Digitally signed by MAHENDRA AGARWAL Date: 2020.07.03 22:24:24 +05'30'
	• Peter H Jayakumar Chief Financial Officer
	Place: Hyderabad
	Date: July 3, 2020
	• Statutory Auditor For **Singhi & Co.** Chartered Accountants ICAI Firm Registration No: 302049E **Anurag Singhi** Partner Membership no: 066274
	Place: Kolkata
	Date: July 3, 2020

GATI LIMITED HYDERABAD

SINGHI & CO. Chartered Accountants

Annexure - B

Details required under Regulation 30 of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015

Sl. No.	Details of events that need to be provided	Intimation of such event(s)
1.	Name of the Directors	Ms. Cynthia D'Souza (DIN: 00420046), Mr. Mohinder Pal Bansal (DIN: 01626343) and Mr. Dinesh Kumar Lal (00037142)
2.	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointed as an Additional, Non-Executive, Independent Directors, subject to the approval of the Members of the Company for a tenure of 5 years.
3.	Effective date of appointment	July 03, 2020
4.	Brief Profile	Enclosed below
5.	Disclosure of Relationship between directors or Key Managerial Personnel of the Company	None

Sl. No.	Details of events that need to be provided	Intimation of such event(s)
1.	Name of the Directors	Mr. Adarsh Hegde (DIN: 00035040) and Mr. Jatin Chokshi (DIN: 00495015)
2.	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointed as an Additional, Non-Executive, Non-Independent Directors, subject to the approval of the Members of the Company.
3.	Effective date of appointment	July 03, 2020
4.	Brief Profile	Enclosed below
5.	Disclosure of Relationship between directors or Key Managerial Personnel of the Company	None

Brief Profile of Ms. Cythia D'Souza is as under:-

As Managing Director, of Cynthesis Management Consultants Pvt. Ltd., Cynthia is responsible for leading, directing and executing the company's business strategy. She set up the company in 1999 and has built a strong, highly focused team of professionals who have successfully improved the company's growth and profitability in a volatile market. Through her tenure as a corporate professional and consultant, Cynthia has worked extensively in the areas of strategy, organization restructuring, change management, succession management, executive assessment and development, systems and processes. Her key assignments include, cultural integration (post merger of an MNC), restructuring of the leadership team in a large call centre, restructuring and capability planning for a mid-sized pharmaceutical company. Her current assignments include Executive Coaching of Partners at PricewaterhouseCoopers Pvt. Ltd., Strategic Consulting and Executive Coaching of Senior Management at IQVIA Consulting and Information Services India Pvt. Ltd. and providing strategic Human Resources Consulting at SIRO Clinpharm Pvt. Ltd.

Cynthia's experience spans over 44 years in the areas of general management, strategic planning, sales & marketing, and human resource management. Her core competency lies in the management and development of people, cross cultural integration and client relationship management. Prior to launching out as an independent consultant in 1999, Cynthia worked in very senior managerial positions in Coca Cola India Inc., Parke Davis-Warner Lambert - India, Eureka Forbes Ltd (a joint venture between Electrolux AB - Sweden and Forbes, Forbes & Campbell - India), Procter & Gamble and TATA Consultancy Services (the largest software company in India).

Cynthia completed her Graduation in Psychology from Bombay University in 1974 and her Masters Degree in Human Resources (Including Industrial Psychology) from a premier Institute in India in 1976 (TATA Institute of Social Sciences). She is a Certified Trainer in the Zenger Miller Leadership Training (USA); Seven Dimensions of Culture Model - Trompenaars Hampden-Turner Intercultural Management Consulting and a certified Assessor for Assessment Centres.

Brief Profile of Mr. Mohinder Pal Bansal is as under:-

Mr Mohinder Pal Bansal, Chartered Accountant, with an illustrious career spanning over three decades of experience in M&A, strategic advisory, capital markets, portfolio company integration in addition to post-acquisition performance management in India, Asia and Europe.

Mr Bansal has significant operational experience in managing corporate entities as well as advising private equity firms in India on improving the performance of their portfolio companies in multiple sectors including logistics, auto components, manufacturing, realty, banking, education and IT. He is on the board of multiple listed and unlisted companies such as Navneet Education Limited, Allcargo Logistics Limited, K12 Techno Services Private Limited (backed by Sequoia capital), Avvashya CCI Logistics Private Limited and Prince Pipes & Fitting Private Limited.

Mr Bansal founded Blacksoil Group in 2010 with the vision of providing financial consulting and strategic advisory to corporates. He has advised on more than 12 M&A transactions across sectors, negotiating on matters ranging from valuation, structuring and integration etc. and has completed more than 30 strategy consulting projects over a period of 7 years.

Mr Bansal is also the founding member, head of fund management team and Investment committee member for BlackSoil Realty Fund I (SEBI registered AIF Category II Fund). Under his leadership, BlackSoil Realty Fund – I has successfully established a strong track record of profitable exits.

He also founded BlackSoil Capital Private Limited, a RBI registered non-deposit accepting NBFC with a primary objective of lending to high growth companies and traditional businesses across pan India. He is the whole-time Director and is managing credit, operations, compliance and liability management for the Company.

Mr Bansal has successfully launched Walton Street Blacksoil Real Estate Debt Fund I, (SEBI registered Category II AIF).

Brief Profile of Mr. Dinesh Kumar Lal is as under:-

Dinesh Lal is a shipping professional with more than 4 decades of experience in the Shipping Industry. He is renowned for his astute knowledge about Shipping Industry. His Management skills and entrepreneurial spirit has driven many conglomerates to achieve pinnacle of success during his tenure.

In the 45 years that he has been in the industry, he has held various positions and earned experience in the following areas :
- *Liner Shipping*
- *Ship Agency*
- *Stevedoring*
- *Project Cargo Transportation*
- *Ship Manning*
- *Port & Container Terminal Management*
- *Container Freight Station & Depots*
- *Freight forwarding*

Notable contributions have been made by him to the growth and establishment of multiple ventures in India & abroad.
- *Group Director-India, A P Moller-Maersk*
- *Chairman - Gateway Terminals India Pvt Ltd*
- *Director - Maersk Lanka*
- *Director - Gujarat Pipavav Port Ltd*
- *Director - Pipavav Railway Corporation Ltd*
- *Managing Director – Safmarine*

His negotiation skill and people skill has made him the ideal choice for many associations and boards.

- *Mumbai Port Trust - Trustee*
- *Jawaharlal Nehru Port Trust - Trustee*
- *Mumbai & Nhava Sheva Ship Intermodal Agents Association - President*
- *EU Chamber of Commerce – President*
- *Indo- Belgium - Luxembourg Chamber of Commerce - President*
- *Shipping Sub Committee-Bombay Chamber of Commerce and Industry - Chairman*

His ability to foresee opportunities coupled with experience in establishing new entities has been the reason for many first of kind ventures in past.

- *Safmarine – Container Shipping Company*
- *Octopus Projects and Transport – A trucking company*
- *Express Ocean Terminal Services – A container terminal management company*
- *Express Repair Services – A state of the art container repair and storage facility*
- *Barwil India – A joint venture with W.Wilhemson group of Norway*
- *AMI Global – A Logistics and Supply Chain management company*
- *Exmar India – A J V with CMB group in Belgium, formerly known as Tecto India*
- *Delta Port and Ship Management Services – J V with Sea Containers in Singapore*

He played a pivotal role in creating a mutually beneficial ground between companies and government bodies. Some of the famed quasi government projects in India were established under his guidance and participation.

- *Setting up CFS in Mumbai which spread over an area of 56,000 sq. metres.*
- *Forming of joint venture between Maersk and CONCOR for the Dadri Project as well as Gateway Terminals India Pvt. Ltd.*
- *Involved in the JNPT 3rd terminal contract right from the time of bidding.*

Currently, he is a Member of the Board of J. K. Helene Curtis Ltd and Raymonds. He is also Chairman of the Chembur Golf Welfare Foundation.

Brief Profile of Mr. Adarsh Hegde is as under:-

Mr Adarsh Hegde holds a Bachelor's degree in Mechanical Engineering from Nitte Education Trust, Mangalore. After finishing his mechanical engineering from Nitte Education Trust, Mangalore, he started his career as an Assistant Maintenance Engineer with Eastern Ceramics Private Limited, Mumbai in 1987 and has served the organization in various capacities.

He has experience in the field of logistics close to three decades. Mr Hegde joined Allcargo Logistics Limited on August 21, 2006 and has been instrumental in the success of the Company's growth story. Presently, he is designated as Joint Managing Director of the Company.

Mr Hegde's business acumen and vision in logistics business, advanced and modern management proficiency quality drives him as an ideal business leader. He has played a key role in designing and implementing various systems and procedures, which resulted in exponential growth opportunities for the Company.

Brief Profile of Mr. Jatin Chokshi is as under:-

Mr. Jatin Chokshi is a Chartered Accountant & Company Secretary by qualification. He has 27 years of work experience in industries like Shipping, Consumer Durables and Industrial Chemicals.

He joined Allcargo Logistics Ltd. Group in 2001 and worked in the capacity of Financial controller, CFO & CEO of a business vertical. He is responsible for managing portfolio, taxation matters, cost control and procurement.